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Algeria... 5.00 Dhs. 120... 115 Rate... 1,000 Rate
 Argentina... 22 S... 1.00 Rate... 100 Rate
 Australia... 0.800 Aus... 2,000 Rate... 800 Rate
 Belgium... 50 B... 200 Rate... 80 Rate
 Canada... C\$ 1.00... 200 Rate... 80 Rate
 Denmark... 11.00 Dkr... 200 Rate... 80 Rate
 Egypt... E.P. 5.00... 200 Rate... 80 Rate
 France... 7.50 F... 200 Rate... 80 Rate
 Germany... 2.70 DM... 200 Rate... 80 Rate
 Greece... 150 Dr... 100 Rate... 200 Rate
 Hong Kong... 10.00 HK\$... 200 Rate... 80 Rate
 India... 10.00 Rs... 200 Rate... 80 Rate
 Italy... 1,000 Lira... 200 Rate... 80 Rate
 Japan... 100 Yen... 200 Rate... 80 Rate
 Korea... 100 Won... 200 Rate... 80 Rate
 Lebanon... 1,000 L.L... 200 Rate... 80 Rate
 Mexico... 16.00 P... 200 Rate... 80 Rate
 Netherlands... 2.00 G... 200 Rate... 80 Rate
 Norway... 9.00 Nkr... 200 Rate... 80 Rate
 Saudi Arabia... 10.00 R... 200 Rate... 80 Rate
 Singapore... 10.00 S... 200 Rate... 80 Rate
 South Africa... 10.00 R... 200 Rate... 80 Rate
 Sweden... 10.00 S... 200 Rate... 80 Rate
 Switzerland... 10.00 S... 200 Rate... 80 Rate
 Taiwan... 10.00 N... 200 Rate... 80 Rate
 Thailand... 10.00 B... 200 Rate... 80 Rate
 Turkey... 10.00 L... 200 Rate... 80 Rate
 U.S.A. ... 1.00 \$... 200 Rate... 80 Rate
 U.K. ... 1.00 £... 200 Rate... 80 Rate
 Yugoslavia... 10.00 D... 200 Rate... 80 Rate

Accusing Syria of 'Genocide,' Pope Begs for Lebanon Peace

By Clyde Haberman
 New York Times Service

ROME — Pope John Paul II on Tuesday called the latest shelling of Beirut an attempt at "genocide," and he directly accused Syria of seeking the destruction of Lebanon.

The pope also said that he felt an "inner imperative" to go to Lebanon himself but that he had been advised to put off a trip for now because of the situation there.

The intensity of his remarks Tuesday went far beyond anything he had said before, and for the first time he laid responsibility squarely at the feet of Syria, whose Muslim and Druze allies have been locked in heavy fighting in the last few days against Lebanese Christian forces.

In the past, the pope merely had alluded to Syria, as he did last April when he pleaded to non-Lebanese forces to work for an end to the combat. "In the name of God, I appeal to the Syrian authorities asking them to cease the bombings that aim at destroying the capital of Lebanon and the entire country," the pope told pilgrims who came to his summer residence in Castel Gandolfo, south of Rome.

Addressing himself to Syria, he added: "Do not assume the attitude of Cain, who made himself culpable for the death of his brother."

The pope also spoke with emotion of Beirut's victims in "underground shelters, under the whistles of bombs and the explosion of howitzers."

The chief Vatican spokesman said that it was one of the few times the pope had singled out a country for criticism since ascending to the papacy in 1978.

In his remarks, which came in the form of a prayer for the feast of the Assumption of the Virgin Mary, the pope warned that the recent "inhuman bombardments" in Beirut threatened world peace.

He said that Lebanon was "being consumed by a process, I would say, of genocide, a process that involves the responsibility of the entire international society."

Beirut Battles Intensify

Islam A. Hijiati of The New York Times reported from Beirut: As artillery and rocket battles continued in Beirut on Tuesday between Christian forces and Syrian troops backed by Muslim militias, Iran stepped in to take a direct part in the Lebanese crisis.



The pope speaking to pilgrims Tuesday. He accused Syria of trying to destroy Lebanon.

Iran stepped in to take a direct part in the Lebanese crisis. Fighting broke out at all demarcation lines separating the Christian enclave from the rest of Lebanon.

Factions battled across the 13-kilometer-long (eight-mile-long) Green Line that extends from the port area to the predominantly Shiite Muslim southern suburbs. Militiamen from two Shiite groups, the pro-Syrian Shiite Amal and the Iranian-backed Hezbollah, or Party of God, traded

See LEBANON, Page 2



Crying, a child was temporarily trapped in the rubble of a house Tuesday in West Beirut.

Jaruzelski Calls Talks as Walesa Softens Terms

By A.D. Horne
 Washington Post Service

WARSAW — President Wojciech Jaruzelski, citing the deepening instability of Poland's political and economic situation, called Tuesday for an emergency meeting of the country's major political and social leaders.

General Jaruzelski's appeal came a day after Prime Minister Czeslaw Kiszczak announced his inability to form a Communist-led coalition government. But the president made no direct reference to General Kiszczak's withdrawal or to his proposal that Roman Malinowski, leader of the Communist-allied United Peasants' Party, should try to form a "grand coalition" government including representatives of the Solidarity opposition.

Solidarity's chairman, Lech Walesa, responding to General Jaruzelski's appeal, said, "We are ready for talks, but we will not allow a monopoly to be reborn."

Earlier, Mr. Walesa welcomed General Kiszczak's withdrawal as "a step opening new possibilities to solve the current government crisis," which began with Mr. Walesa's proposal last week for a new coalition of his movement with the Peasants' Party and the Democratic Party, a smaller party also long allied with the Communists. But he made it clear that he did not support Mr. Malinowski's nomination.

The possibility that the Peasants' Party and Democratic Party might leave the Communist-led alliance has drawn warnings from Moscow against any attempt to separate Poland from its Warsaw Pact partners.

Mr. Walesa, in his statement Tuesday, sought to reassure the Kremlin with a significant softening of his plan, saying that an opposition-led government would be "nominated with respect for the rights of the Polish people."

In a news conference at his home in Gdansk, Mr. Walesa was more explicit, saying that "the most important ministries, which are the base of the physical continuity of the state, should stay in the hands of the Communist Party." That was clearly a reference to the Defense and Interior ministries, which control Poland's army and the police.

Mr. Malinowski, meanwhile, made no public comment on General Kiszczak's proposal. Solidarity legislators said that they saw no chance that the opposition would join with the Peasants' Party's leader, who served as a deputy prime minister during the martial law period from 1981 to 1983.

The Peasants' Party's floor leader in the Sejm, or lower house, Alexander Benktowski, predicted that Mr. Malinowski, who turned down an earlier invitation from General Jaruzelski to form a government, would reject General Kiszczak's proposal because of the continued opposition from Solidarity.

"Social feelings can be calmed only by a prime minister who is from the ranks of the opposition or is picked by the opposition," he said.

That left the situation deadlocked. Neither the Communists nor Solidarity holds enough seats in the Sejm to confirm a prime minister alone.

Mr. Walesa's proposal has attracted enough support from Peasants' Party and Democratic deputies to block a Kiszczak government, and General Kiszczak's proposal of Mr. Malinowski appears to be aimed at winning back enough Peasants' Party votes to keep Mr. Walesa from forming what would be the first non-Communist government in Eastern Europe since World War II.

The Democrats issued their strongest endorsement to date of Mr. Walesa's plan, saying, "We think that we should do everything to realize Lech Walesa's proposal, which has broad support in Democratic Party circles."

Pressed by reporters, Mr. Walesa said, "I would prefer to have someone else" as prime minister, but "if society wants it, I must do it."

He named Tadeusz Fiszbach, a Communist reformer who is deputy speaker in the Sejm, as one party leader whom Solidarity could accept as a partner in government.

Apart from Mr. Walesa's comment, there was no immediate response to General Jaruzelski's proposal for an emergency meeting "as soon as possible."

Iran Appears to Resist Indirect U.S. Pressure on Hostages

By Alan Cowell
 New York Times Service

DAMASCUS — A senior Iranian official indicated Tuesday that Tehran was resisting indirect pressure from the United States and others to secure the release of Western hostages held by pro-Iranian Muslim groups in Lebanon.

The development seemed a setback for the Bush administration's policy of seeking the hostages' freedom through the intervention of a wide array of intermediaries regarded as influential in Tehran.

In Washington, President George Bush said that the internal political situation in Iran remained clouded and that despite recent diplomatic exchanges with Tehran, he was not optimistic about the prospects for release of the hostages in Lebanon.

The Iranian foreign minister, Ali Akbar Velayati, met with Syrian officials, including President Hafez Assad, on Tuesday. Western diplomats said the Syrian leader had told the United States he would press for Iranian support for release of the 16 hostages, among them eight Americans.

But before his meeting with Mr. Assad, Mr. Velayati told reporters: "Our talks with our Syrian brothers will not have anything to do with the hostage issue since this issue does not concern us." He was speaking after discussions with the Syrian foreign minister, Farouk Shara.

Syria is by far Iran's most prominent Arab ally. Damascus supported Tehran in its war with Iraq. It also has strong influence in Lebanon, where it encouraged the growth of the Hezbollah, or Party of God, a movement of pro-Iranian

Shiite Muslims whose supporters are thought to be holding the Western hostages.

According to Western diplomats, the United States had pressed for Syrian assurances that President Assad would raise the issue at the meeting Tuesday, as part of a wider effort to exert influence on Iran.

The United States has also asked Japan and Pakistan to urge Tehran to press for the release of the captives, Western diplomats said.

Bush Is Not Optimistic

David Hoffman of The Washington Post reported earlier from Washington:

During a White House news conference Tuesday, Mr. Bush said concern for innocent civilians and See HOSTAGES, Page 2

Central Control Blocks Soviet Economic Drive

By Steve Lohr
 New York Times Service

MOSCOW — Four years of President Mikhail S. Gorbachev's perestroika, or restructuring, have done little to change one basic rule of the Soviet economy: the producer, not the consumer, is always right.

The shortcomings of the centrally planned, bureaucratically administered socialist system are evident to any consumer in this oddly backward superpower. Chronic shortages of consumer goods make buying a bagful of groceries more difficult than in many Third World countries.

As Mr. Gorbachev tries to move the country toward a more market-oriented economy, the difficulty can scarcely be overstated. In interviews with Soviet economists, factory managers, government bureaucrats, and workers over the course of three weeks, both in Moscow and outside, it became clear that the old centralized system remains deeply imbedded and that

Pravda accuses Baltic political movements of fomenting "nationalist hysteria." Page 2.

The changes to date, though impressive, are often less than they seem because the apparatus of central control is still in place.

A recent shopping expedition for milk, soap, toothpaste, sausage, carrots, bread and toilet paper indicated how far this country has to go. A small sackful of staples that any shopper in the West could pick up in a few minutes took nearly three hours, visits to four stores, and varying quantities of gasoline, shoe leather, patience and luck.

And that was a fast-track shopping foray by Soviet standards. It did not involve dallying to procure any luxury goods. Serious shoppers waited in lines outside a big department store for four hours for the privilege of buying Chinese-made woolen gloves for winter, at the equivalent of \$19.80 a pair.

The economic inertia is reinforced by the lack of a detailed map of the way forward. Mr. Gorbachev has never clearly spelled out the kind of economy he wants for the Soviet Union. He has spoken of "market socialism," but the hard choices have not yet been made about where the economic and political lines will be drawn between the security of socialism and the vigor of free enterprise.

Politically, there is good reason for caution. Already the tiny pockets of unfettered economic activity, like the privately owned cooperative enterprises that are free to set their own prices, have been widely criticized as price gougers.

At a central market in Moscow, for example, a bunch of collective farm carrots cost the equivalent of 16.5 cents, while the same amount of the private-market carrots sold for \$4.62, or 28 times as much.

Not just the prices are worlds apart. The privately grown tomatoes, carrots, and potatoes are plump and colorful, while the vegetable

U.S. Eases Computer Export Rules

Reuters

WASHINGTON — The Department of Commerce said Tuesday that it would allow the export to Soviet-bloc nations of a range of computers more powerful than those on a list of approved exports issued last month.

The previous, more restricted list prompted criticism from Secretary of Defense Dick Cheney, who said the Soviet Union and Soviet-bloc nations could use the technology for military purposes.

There was no immediate comment from the Defense Department on the latest development.

The new list, approved by the Coordinating Committee for Multinational Export Controls, or Comcon, includes "ruggedized" lap-top computers that are more powerful than those on the original export list. Because of their durability during rough handling, such computers would be of greater military use.

Secretary of Commerce Robert A. Mosbacher announced on July 18 an easing of export curbs on some small computers because they already were widely available from other nations. He said restrictions on the exports would only penalize American companies, making them unable to compete.



PHILIPPINE HOSTAGE DRAMA — A hostage escaping from a jail in Davao, Philippines, on Tuesday before it was stormed by troops. Sixteen inmates died in the clash. They held 15 members of a religious group for three days and killed five of them. Page 2.

End of Grand Beginning: Voyager Nears Neptune

By John Noble Wilford
 New York Times Service

NEW YORK — Groping in the dim vastness far from home, arctic and partly deaf, feeble of voice and prone to memory lapses, the aging Voyager 2 is resolutely heading for a rendezvous next week with Neptune, its last planet of call at the edge of the solar system.

"The last picture show," scientists are calling it, as they anticipate days of spectacular viewing with excitement and nostalgia.

The first close-up look at Neptune will also mark the end of the opening era in the exploration of the solar system, more than 25 years of wide-ranging photographic reconnaissance of all the known planets except Pluto.

The new emphasis is on going back to orbit, probe or land on individual planets and their major moons for longer, more detailed second looks.

As sad as it can be to see the closing of an era, scientists count themselves lucky that the one-ton, unmanned Voyager survived

long enough to make it all the way to Neptune.

Launched in 1977, the spacecraft flew by Jupiter in 1979 and Saturn in 1981. That was all it was designed and commissioned to do, but through clever targeting and the patient urging of its sometimes balky systems, it reached Uranus in 1986 and is now approaching Neptune, 2.8 billion miles (4.5 billion kilometers) away.

Flight controllers at the Jet Propulsion Laboratory in Pasadena, California, who have grappled with Voyager 2's failed radio receiver, computer glitches, creaky instrument platform and other manifestations of advancing age, are as surprised and delighted as anyone with the craft's durability.

They say Voyager is reasonably fit as it speeds in at more than 40,000 miles an hour for its close encounter with Neptune, only 3,000 miles above the planet's polar region, on the night of Aug. 24.

The best pictures are expected to begin coming in early next week. Voyager is so far away from Earth that

its radio messages, feeble to begin with, are the faintest of whispers by the time they reach home four hours and six minutes later.

With the spacecraft's limited size and electric power, the radio transmitter was designed to operate on 22 watts — no more than a refrigerator light bulb. The signal strength reaching Earth is a fraction of a billionth of a watt.

"I don't think anybody really knew or thought 12 years ago that we'd be getting to Neptune," said Norman R. Haynes, the project manager. "Voyager has exceeded all expectations," said Dr. Edward C. Stone, a physicist at the California Institute of Technology and the project's chief scientist.

Voyager 2 is thus giving the United States a "grand tour" of the four giant outer planets that officials of the space agency and budgetmakers turned their backs on in the early 1970s.

Scientists had advocated taking advantage of an opportunity "so great that it should not be missed." Because of an align-

ment of the outer planets that occurs once every 175 years, they pointed out, it would be possible for spacecraft to tour all the outer planets, using the gravity of one to bend its trajectory and speed it on to the next.

In this way, a trip as far out as Neptune or Pluto could be achieved in 12 years, less than half the ordinary travel time.

But the National Aeronautics and Space Administration was under pressure to begin development of the space shuttles on a severely reduced budget.

Officials heeded the advice of other scientists, who questioned the scientific merits and doubted the ability of spacecraft to perform reliably on a grand tour, and killed proposals to send two specially designed craft to all the outer planets, including Pluto.

As a compromise, the Voyager program — Voyager 1 and its twin Voyager 2 — was initiated in 1972 with the limited objectives

See VOYAGER, Page 2

U.S. to Share Its Seized Drug Money

By Michael Isikoff
 Washington Post Service

WASHINGTON — The Justice Department, sharing seized drug profits with foreign governments for the first time, has said it will give \$1 million each to Canada and Switzerland for their help in forcing the guilty plea of a Panamanian bank in the largest money-laundering investigation in U.S. history.

The award was described as part of a new effort to encourage foreign countries to cooperate with the United States in sophisticated money-laundering cases. U.S. officials say that billions of dollars in drug profits are being laundered through international banks, but efforts to stop the activity have been hampered by the inability to confiscate the funds once they are transferred overseas by wire.

The action Monday showed how foreign countries can help attack the problem, the officials said. In a federal court in Atlanta, the Panama-based Banco de Occidente agreed to pay a \$5 million criminal fine after pleading guilty to charges it knowingly handled U.S. drug profits on behalf of the Medellín cartel, a confederation of Colombian traffickers responsible for shipping about 80 percent of the cocaine that enters the United States.

A lawyer in Atlanta, Robert L. Barr Jr., said that the bank never would have agreed to negotiate the plea if Canadian, Swiss and West German authorities had not joined the United States in freezing the accounts of the bank after it was indicted last April.

The prosecutors said that two Banco de Occidente officers arranged for hundreds of millions of dollars of drug profits to be wired from U.S. banks into phony Banco de Occidente accounts overseas. Although most of the drug money had passed into the hands of the cartel, the Justice Department used a new provision in U.S. law to freeze \$27 million in other Banco de Occidente accounts in U.S. banks.

And acting on a U.S. request, West Germany, Canada and Switzerland froze an additional \$55 million of the accounts of the bank. Although lawyers for the bank sued in getting the West German funds unfrozen, the impact of the combined action crippled the ability of the bank to conduct business, a Banco de Occidente lawyer said.

Crossword	Page 6
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Dow Jones	The Dollar
Up 8.73	New York
	DM 1.943
	Pound 1.575
	Yen 142.20
	FF 6.546

See SOVIET, Page 2

Pravda Blames Baltic Movements for 'Nationalist Hysteria'

By Michael Dobbs
Washington Post Service

MOSCOW — Signaling Kremlin concern over rising ethnic tensions, the Communist Party newspaper Pravda on Tuesday accused mass political movements in the Baltic republics of fomenting "nationalist hysteria."

The attack on the Popular Front movements in the Baltic region, which have emerged as a major political force over the last year, were made as a strike by Russian workers in Estonia ended its first week. The Russians, who account for almost 40 percent of Estonia's 1.6 million people, are protesting

against alleged political and linguistic discrimination. Pravda, which has tended to reflect the views of more conservative Soviet leaders, also implicitly criticized the relatively liberal leadership of the three formerly independent republics. It said that "openly anti-Soviet groups" were being allowed to operate there.

The unnamed commentary also denounced the Baltic movements for sending emissaries to other republics and maintaining contacts with foreign organizations, in order to further their "destructive goals."

Baltic-style Popular Front movements have now sprung up in most of the 15 Soviet republics, mixing

informal groups frustrated by the slow progress of economic and political change. The rise in their influence has thrown off balance Communist Party officials accustomed to a monopoly of power.

Last weekend, a newly formed Popular Front in the southern republic of Azerbaijan attracted around 150,000 people to a demonstration in the capital, Baku. The movement is threatening a general strike in September unless the leadership meets its demands, which include the legal recognition of independent groups and greater autonomy for Azerbaijan.

On Tuesday, supporters of a Ukrainian Popular Front an-

nounced that they would hold a founding congress Sept. 8 in Kiev. A group of radical Ukrainian deputies elected to the new Soviet legislature in Moscow are also planning big demonstrations Sept. 2 to protest a new Ukrainian election law that reserves 25 percent of the seats on local councils to "social organizations" like the Communist party.

Vitali A. Karachuk, a Ukrainian writer who edits the progressive magazine Ogunyok, said that about 50 deputies were campaigning against the law. He said that the recent miners strike in the Donbass region of the Ukraine had fright-

ened party bureaucrats who sought to hold onto their positions.

Pravda said that the Baltic fronts, which preceded all the others, had gradually shifted their focus from support for perestroika, the restructuring drive of President Mikhail S. Gorbachev, toward "narrow nationalist positions."

The official Soviet media have stepped up their criticism of the Estonian government for a new election law that prevents new residents of the republic from voting in local elections. The Soviet justice minister has described the legislation, which the Russian minority in Estonia regards as directed against it, as unconstitutional and at vari-

WORLD BRIEFS

Britain Depports U.S. IRA Supporter

BELFAST (Reuters) — A leading U.S. fund-raiser for Irish Republicans, who is forbidden to enter Britain, was deported from Northern Ireland on Tuesday after his arrest at a meeting with IRA sympathizers. Martin Galvin, a New York lawyer and publicity director of Noraid, an organization widely considered a support group for the Irish Republican Army, was seized by police in Londonderry, then taken to the airport in Belfast and put on a flight to London.

Mr. Galvin will be removed from the United Kingdom, a British Home Office spokesman said. He is likely to be put on a flight to the United States. He had come to join Republican protesters marking the 20th anniversary of the British military presence in Ulster.

At Least 18 Die in Shanghai Crash

BEIJING (NYT) — A Chinese airliner crashed in Shanghai on Tuesday afternoon, killing at least 18 passengers and crew members, the official Xinhua News Agency reported Tuesday.

The plane, a Soviet-designed An-24, departing for Nanchang in the southeast Jiangxi Province, plunged into a river just after takeoff from Shanghai's main Hongqiao Airport.

The dispatch said 32 passengers and eight crew members were on board the plane, which belonged to the China Eastern Airlines. It cited witnesses as saying that the plane tumbled along the runway, took off, and then seemed to go "out of control."

Afghan Rebels Shell Airport in Kabul

KABUL (Reuters) — Afghan rebels shelled the Kabul airport on Tuesday, narrowly missing an incoming airliner, sending travelers and staff running for cover and closing down flights, airport officials, witnesses and military officials said.

They said that at least nine rockets hit the airport and that two rockets nearly hit the main passenger terminal. The airport officials and the witnesses said another rocket landed on the runway just after an international flight landed and was taxiing toward the terminal. There was no damage to the airliner and only slight damage to the runway.

The airport officials said that all flights from the airport were halted. Since last Thursday, the mujahidin rebels have shifted their fire away from civilian areas of the capital. A government spokesman said that in the past four weeks, 299 rockets landed in Kabul, killing 188 people and injuring 483, all civilians.

Strike by Miners Hits Peruvian Pits

LIMA (Reuters) — The 70,000-member Miners' Federation has shut down much of Peru's mining industry with an indefinite strike for wider collective bargaining rights. In Lima, meanwhile, the police used tear gas to break up a demonstration by about 100 striking bank workers.

Though far from the paralysis predicted by strike organizers, the miners' walkout showed unexpected strength. At least half of all mines in the central Andean highlands were shut when the strike began Monday, government sources said, and the strike hit copper mining hard, with 80 percent absenteeism reported at two giant pits in southern Peru that account for nearly two-thirds of the country's copper output.

Mining forms the backbone of the Peruvian economy, with metals like copper, silver and zinc accounting for nearly half of its export income. Officials at metals firms said they feared the strike could spread and eventually cripple the industry if it dragged on.

Victim Runs Down Paris Thieves

PARIS (Reuters) — A woman driver chased two youths who snatched her handbag in Paris and moved them down with her car, killing one and seriously wounding the other, the police said Tuesday.

The 29-year-old, riding a scooter, pulled up alongside the car at a traffic light Monday and grabbed the bag, containing 80,000 francs (about \$12,000) from the passenger seat.

The driver, Nang Tane, a 43-year-old Laotian, chased them and rammed her BMW into the scooter, squashing it, witnesses said. Dominique Merot was killed immediately. Pierre Mendy was in a hospital in critical condition. The police said they had arrested the driver.

Much of Sri Lanka Goes on Strike

COLOMBO (UPI) — Shops and offices closed Tuesday across much of Sri Lanka, and transportation was at a standstill in a strike called on the Indian independence day by leftist Sinhalese radicals to protest the presence of Indian troops, officials said.

In a related development, President Ranasinghe Premadasa said a plan proposed by New Delhi for a phased withdrawal of 60,000 Indian soldiers from the island's northeast section needed "further revision."

"No room should be left for the slightest undermining of the sovereignty of Sri Lanka," Mr. Premadasa was quoted in an official statement as telling his cabinet. He said he would propose changes in the plan. Many Sinhalese view the deployment of Indian troops as a surrender of national sovereignty.

For the Record

Two cosmonauts will be launched Sept. 6 to reactivate the orbiting space station Mir after a four-month lapse in the Soviet manned space program, Soviet officials announced Tuesday.

TRAVEL UPDATE

Some Fall Air Fares Slashed in U.S.

CHICAGO (Reuters) — Major U.S. airlines have slashed fares to stimulate autumn vacation travel between September and Christmas, but industry analysts say the highly restricted discounts are unlikely to bring back the fare wars that hit the industry in the early 1980s.

"This is not a change of industry pricing practice or a return to fare wars," said an analyst. The new fares — aimed at leisure, not business, travelers — require a Saturday night stay and purchase of tickets by Sept. 1. The restrictions will limit their use to a relatively small number of vacationers, analysts said.

The cuts were initiated by Trans World Airlines on Monday and immediately matched by almost all carriers. The fares start at \$108 and range to \$298 for round-trip tickets depending on the length of the flight and day of travel. The discounts can be used for travel from Sept. 9 to Dec. 15. The fares are refundable but, in a departure from past practice, allow one change of travel date without charge. Pan Am and TWA, the two largest U.S. carriers to Europe, also cut fares on international flights this fall.

Ballroom flights have resumed over central Australia two days after an accident in which 13 persons were killed. Operators said Tuesday that despite some cancellations there was still demand for the flights, which take people to watch the sunrise over the central desert.

WEATHER

EUROPE				ASIA			
	HIGH	LOW			HIGH	LOW	
Algeria	77	77	77	Beijing	61	61	61
Amsterdam	77	77	77	Bombay	82	82	82
Antwerp	77	77	77	Calcutta	82	82	82
Berlin	77	77	77	Chongqing	82	82	82
Bombay	82	82	82	Colombo	82	82	82
Buenos Aires	82	82	82	Dacca	82	82	82
Cardiff	77	77	77	Delhi	82	82	82
Chongqing	82	82	82	Hankow	82	82	82
Colombo	82	82	82	Harbin	82	82	82
Dacca	82	82	82	Hong Kong	82	82	82
Delhi	82	82	82	Kobe	82	82	82
Hankow	82	82	82	London	77	77	77
Harbin	82	82	82	Los Angeles	77	77	77
Hong Kong	82	82	82	Manila	82	82	82
Kobe	82	82	82	Medan	82	82	82
London	77	77	77	Osaka	82	82	82
Los Angeles	77	77	77	Shanghai	82	82	82
Manila	82	82	82	Singapore	82	82	82
Medan	82	82	82	Taipei	82	82	82
Osaka	82	82	82	Tokyo	82	82	82
Shanghai	82	82	82				
Singapore	82	82	82				
Taipei	82	82	82				
Tokyo	82	82	82				

WEDNESDAY'S FORECAST — CHICAGO: Vary. High. 77-82. Low. 61-66. Wind. 10-15 mph. New York: Partly cloudy. High. 77-82. Low. 61-66. Wind. 10-15 mph. Los Angeles: Partly cloudy. High. 77-82. Low. 61-66. Wind. 10-15 mph. London: Partly cloudy. High. 77-82. Low. 61-66. Wind. 10-15 mph. Tokyo: Partly cloudy. High. 77-82. Low. 61-66. Wind. 10-15 mph.

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U.S. Mulls Troops in Drug War

Noriega Remains Target, Bush Says

Compiled by Our Staff From Dispatches

WASHINGTON — President George Bush said Tuesday that he would weigh sending troops if the United States were asked to fight drugs elsewhere.

And he again refused to rule out seizing General Manuel Antonio Noriega, the Panamanian leader, to face U.S. drug charges.

Endorsing a proposed plan drafted by the supervisor of the national drug policy, William Bennett, Mr. Bush said that the drug crisis "tears at the heart and feeds the fears of every American."

Mr. Bush plans to announce the anti-drug plan on Sept. 5. It is expected to cost \$7 billion, \$1 billion beyond current projections. The president, who made a campaign pledge not to raise taxes, said that the increase would be paid for by reallocating available money. "It will call for commitment and sacrifice and understanding," he said. "But it's clear to me that the American people demand no less."

Mr. Bush also said he would consider sending troops to South American drug-producing countries if he were asked by those countries to do so, but that he would not want to act unilaterally.

Asked about his having recently limited that he would be willing to have General Noriega kidnapped and brought to trial to face drug trafficking charges, Mr. Bush said, "I would not say that I would do, or wouldn't do, that. But he added, 'I have an obligation to try to bring people to justice.'"

The United States has been unable to remove General Noriega despite diplomatic pressure, including an economic embargo since the military rule was indicted in Florida in February 1988.

Mr. Bush also said that he would not be opposed to cutting off aid to countries that do not cooperate with the U.S. fight against drugs.

He said Mr. Bennett had given him an outline of a developing national drug strategy. "It's balanced, decisive, effective and achievable," Mr. Bush said, "and it will target all aspects of the problem." A draft of Mr. Bennett's plan calls for users to be arrested and fined and to lose their driver's licenses and cars and any federal grants.

The plan would withhold federal highway funds from states that did not revoke drug offenders' licenses, and would withhold federal criminal justice funds from states that don't perform drug tests on people in the criminal justice system. Schools receiving federal money would have to have drug prevention programs.

A White House spokeswoman said that Mr. Bush was still weighing those ideas.

The draft strategy would seek a 49 percent increase in federal treatment money for 1990, to \$925 million; \$1.2 billion for new prison construction; a \$200 million increase for state and local law enforcement; and \$50 million for the Department of Housing and Urban Development, most of it for security improvements at public housing projects.

In Panama City on Tuesday, U.S. Marines dropped from helicopters to the grounds of the U.S. Embassy in an defensive exercise.

Twenty-two Marines assumed combat positions in the embassy's gardens, while another group did the same at the nearby ambassadorial residence. Ambassador Arthur H. Davis was recalled after authorities voided the May 7 presidential elections, which according to independent observers were won by General Noriega's opponent.

Meanwhile, several U.S. military helicopters flew over the Panama City business district. A U.S. Embassy spokesman said that "Operation Old Duck" was aimed at "reaffirming and enforcing" U.S. rights under the 1977 Panama Canal treaties. He added that the Panamanians had been given 30 minutes' notice.

Exxon Is Sued By Alaska Over Valdez Oil Spill

The Associated Press

JUNEAU, Alaska — The state sued Exxon Corp. and six other oil companies on Tuesday, accusing them of negligence for having failed to prevent and clean up the nation's worst oil spill.

The lawsuit, filed in state Superior Court in Anchorage, does not specify the amount of damages sought for losses from the March 24 tanker disaster.

"If you assume that the damages haven't been half mitigated and then you add in any potential punitive damages, this is probably in the multiple billions," said Robert LeResche, the state oil-spill coordinator who announced the suit at a news conference.

The lawsuit charges that Exxon Corp. and Exxon Shipping Co., the subsidiary that owned the tanker Exxon Valdez, are responsible for the tanker's running aground because they did not staff the vessel adequately or allow for the proper supervision of the crew.

The state also says Alyeska Pipeline Service Co., a consortium of oil companies that runs the trans-Alaska oil pipeline, did not take prompt or adequate measures to contain and remove the spilled oil or prevent it from spreading into environmentally sensitive areas.



POWER OF THE PRESS — South Korean troops putting up barricades Tuesday on the Imjin River bridge, just south of the armistice line, to prevent newsmen from covering the arrival of a female student dissident. The student, Im Su Kyong, had visited Pyongyang despite South Korean warnings and returned via the armistice village of Panmunjom, accompanied by a Catholic priest, defying a government prohibition on their return by this route. Both persons were immediately arrested.

Politics Bypass Thriving Chinese Town

By Nicholas D. Kristof

New York Times Service

SHISHI, China — As her fingers played with her gold necklace and her eyes wandered about the displays of bright clothing that fill her small shop, Chai Miliang looked bored as she explained that the folks in this coastal town were really not that interested in the political upheaval in the capital.

"It won't help us to pay attention to politics," said Miss Chai, 39, who tends her shop 12 hours a day, 7 days a week, and has parlayed hard work and business acumen into the good things of life: a silver watch, a color television set, a video recorder, a refrigerator. "We just care about making money."

The overarching struggle in Shishi, a bit less than halfway from Hong Kong to Shanghai, is not for democracy but for prosperity. Yet, in their own way, the residents of this community are pushing the frontiers of change in China as much as the students and intellectuals who yearn for democracy.

Shishi, which means stone lion and was named for a pair of stone lions that once stood outside a temple, is one of China's citadels of private enterprise, a place where 80 percent of industrial output comes from private enterprises — compared with a national average of 3.5 percent. The remaining 20 percent of industrial production is divided almost equally between state-owned companies and collectives.

To roam Shishi is to be reminded of China's vastness, of the capacity of some rural areas to maintain a pulse of life apparently not driven from the nation's communist heart. The turmoil has had its effects here — fewer foreign visitors, increased apprehension about policy shifts — but there is none of the fear, bitterness, and sullen acquiescence common in Beijing.

China Fires Editor of a Top Party Daily

By Daniel Southard

Washington Post Service

BEIJING — The editor of China's leading Communist Party newspaper for intellectuals has been dismissed as part of a continuing purge of journalists associated with the ousted party leader, Zhao Ziyang, according to Chinese sources.

The sources said that Yao Xihua, editor in chief of the Guangming Daily, had been informed of his dismissal several days ago by an official of the party's propaganda department.

Mr. Yao, 61, refused to make a self-criticism of his "errors" in publishing articles on the recently suppressed democracy movement, the

sources said, and this was cited as one of the reasons for his dismissal. They said that many journalists at the newspaper were staging a slowdown to protest Mr. Yao's removal.

Mr. Yao was described as angry and unrepentant. He refused to take up another job offer from the party and said he preferred to retire, according to party sources.

The four-page Guangming Daily has long been the party-controlled newspaper directed at scholars, writers, and artists. But for a brief period in May, with encouragement from reformists in the party associated with Mr. Zhao, the paper openly reported on the student-led democracy movement before it was crushed by the Chinese army.

Mr. Yao was said by sources to have been chosen for the editorship of the newspaper in 1987 by Mr. Zhao. He was replaced by Zhang Changshui, director of the literary and art department of the paper, who is considered to be a more orthodox Marxist.

Mr. Yao's ouster follows the closure of the Shanghai-based World Economic Herald, which Mr. Zhao supported, and the dismissal of two top editors at the People's Daily, the main Communist Party daily.

At least 14 journalists have been arrested or detained since the party began a crackdown on dissent two months ago.

Du Daosheng, head of the government's press and publications

conversation turns to the question of how so much private enterprise can be allowed in a communist country that is now trying to reassert a measure of ideological orthodoxy. Mr. Wenling, who has prospered by selling electronic goods, suggested that ideological labels were not very useful.

"Maybe some people will see this as capitalism," he said. "But this is the general trend. And ours is a big country, so it is inevitable that some areas will get rich first."

In other parts of the country, like Beijing or the city of Xiamen, a special economic zone to the south of Shishi, people seem to feel an odd mixture of jealousy and condescension toward Shishi. They envy the prosperity, but say that it is built on smuggling, and that it is the kind of place where young women are so money-minded that they go into business as prostitutes.

Shishi benefits from smuggling because it is only eight kilometers (five miles) from the coast, and the surrounding Shishi county, with 250,000 people, includes numerous fishermen with their own boats. They do a big business bartering goods with fishermen from Taiwan.

Meeting in the open sea, they trade Chinese herbs and medicine for Taiwan electronic goods, which can be sold at an enormous premium on the mainland. Until the end of the 1970s, this was all illegal.

Then, after Deng Xiaoping came to power in 1978, business was again encouraged, although in the last two weeks there have been new signs that the government may crack down on smuggling of Taiwan electronic products on which duty has not been paid.

If the crackdown is effective, it might dampen the vitality of Shishi's economy.

Overlooked Drug Is Showing New Promise in AIDS Fight

By Gina Kolata

New York Times Service

NEW YORK — As AIDS patients and their advocates go to the ends of the earth to obtain unapproved drugs, a drug that is already on the market has been neglected in the United States, even though it shows some signs of effectiveness in delaying the onset or progress of the disease.

The drug, alpha interferon, has been tested in several small studies in recent years.

It has been deemed promising by Dr. Anthony S. Fauci, director of the National Institute of Allergy and Infectious Diseases, who leads the federal AIDS research effort, and by prominent clinical investigators like Dr. Jeffrey Laurence of Cornell University Medical College in Manhattan. Dr. Donald Abrams of San Francisco General Hospital and Dr. Jerome Groopman of New England Deaconess Hospital in Boston.

Interferon's efficacy should not be overstated, the experts warn. The drug has not been tested in large-scale studies and has not been proved to extend the lives of people with AIDS.

But data from preliminary studies indicate that it may prevent the onset of disease in some people infected with the AIDS virus and that it may slow the disease's progress in those who are already showing symptoms.

Despite early indications that the drug might be helpful, it has attracted little interest among American AIDS patients or their advocacy groups and doctors, in sharp contrast to the feverish excitement that often sweeps through the AIDS community when drugs that have undergone far fewer tests are rumored to be promising.

Some advocates for AIDS patients are withholding judgment. "It's hard to say if alpha interferon is promising," said Mitchell Spear, editor of the AIDS Treatment Directory, published by the American Foundation for AIDS Research. "I don't think there's enough evidence yet to comment."

In the most recent study, published in Tuesday's issue of *Annals*

of Internal Medicine, Dr. Fauci and his colleagues report that low doses of alpha interferon can be combined with low doses of AZT, or azidothymidine, to treat both AIDS infections and Kaposi's sarcoma, a cancer that afflicts many AIDS patients.

AZT is the only drug approved for the treatment of AIDS, but as many as half of all patients cannot

tolerate the recommended doses because the drug damages their bone marrow.

In the study 22 men infected with the AIDS virus took low doses of the two drugs for 12 weeks, and the drugs apparently worked together to inhibit the viral infection. For example, six men had viral proteins in their blood when the study began, but those proteins disappeared in three of them. Six of the 22 men no longer had viruses that could be isolated from their blood.

In another recent study, Dr. Fauci's group showed that low doses of alpha interferon and AZT could be combined to treat those infected with the virus but who showed no symptoms of disease.

There is "preliminary evidence" that the combination slows progression of AIDS infections, Dr. Fauci said.

Seven of 11 men who had interferon treatment had no detectable virus in their blood, but only two of the 16 men who received an inert substance had no virus in their blood.

The men who received interferon lost only 4 percent of the disease-fighting T-4 cells of the immune system, whereas those who did not receive the drug lost 25 percent of their T-4 cells.

The AIDS virus attacks the T-4

cells, crippling the person's immune system and paving the way for other potentially deadly infections.

Dr. Fauci said that the growing evidence that interferon was effective against AIDS infections was so encouraging that AIDS patients who could not take AZT because of its side effects should consider taking alpha interferon instead of or in combination with AZT.

"I believe that alpha interferon is very promising," he said. "Independent studies in the United States and Europe have clearly shown it is effective in Kaposi's sarcoma and that it has a significant effect against the AIDS virus."

In 1983, AIDS researchers started testing the drug in patients with Kaposi's sarcoma, said Dr. Mathilde Krim, a founder of the American Foundation for AIDS Research. They started with patients with large tumors and gave very high doses of the drug, which can cause malaise and fevers and flu-like side effects.

About half the patients responded. But, Dr. Krim said, "No attempt was made to work with very early disease at lower doses." As a result, many patients decided that the side effects of the drug made it unacceptable.

But Dr. Krim and others, including Dr. Laurence of Cornell, said that much lower doses of alpha interferon should be tried much earlier in infection and as a treatment for the AIDS virus itself rather than just for Kaposi's sarcoma.

Lower doses cause no noticeable side effects, Dr. Krim said, and the cost of the drug would be only about \$30 a week.

"I think it's understated," said Dr. Laurence. "It has gotten bad press, but I think it deserves more interest." Dr. Abrams, an AIDS researcher at the University of California in San Francisco, agreed.

Dr. Laurence said that laboratory studies suggested that alpha interferon should be particularly effective in preventing the onset of symptoms in people who are infected with the AIDS virus but not yet ill. "I think people ought to use it early in infection," he said.

Alpha interferon can often prevent the multiplication and release of the AIDS virus from infected cells in situations where AZT has no effect, he said.

Monkeys Are Protected From AIDS by Vaccine

By Lawrence K. Altman

New York Times Service

NEW YORK — Researchers have reported that another experimental vaccine can apparently protect animals against a form of AIDS.

The new evidence came from a limited experiment on a small number of monkeys.

An experimental vaccine derived from a virus that causes an AIDS-like disease in monkeys protected two animals from the illness. Four others that received the vaccine became infected with the virus, but none have become ill. Four monkeys in a control group were not given the vaccine; three have died, and a fourth is ill.

The report, in the Tuesday issue of the *Proceedings of the National Academy of Sciences*, adds to earlier evidence that experimental vaccines can protect animals from AIDS and extends the hope that humans can someday be vaccinated against the fatal infection.

In June, Dr. Jonas Salk, the inventor of a vaccine that helped control polio, reported limited success in three chimpanzees with a vaccine derived from killed human AIDS virus.

But the question of whether a safe and effective human AIDS vaccine can be developed "remains an open issue," said the authors of the latest report, who are from the New England Regional Primate Center in Southborough, Massachusetts.

The New England team also said that a human vaccine would have to protect against all strains of the AIDS virus and that no one now knows how many exist.

The team, headed by Dr. Ronald C. Desrosiers, used a vaccine against a form of AIDS that affects monkeys.

Called simian acquired immune deficiency syndrome, or SIV, it is caused by the simian immunodeficiency virus, or SIV.

SIV is the closest known relative of the virus that causes AIDS in humans. Monkeys with the immune disorder suffer the same type of symptoms and damage that humans do from AIDS.

The researchers developed an experimental vaccine by killing the SIV before injecting it into the monkeys.

Killed viruses are used in vaccines against human diseases in people. The Salk polio vaccine, which is widely used, is made from killed viruses.

Because so little is known about the AIDS virus, and because AIDS is fatal, scientists debate the poten-

tial safety of an AIDS vaccine using the killed virus. Many researchers have expressed deep concern that every virus particle might not be destroyed.

Other scientists, however, have urged the development of experimental killed AIDS vaccines to learn more about what components of the immune system protect against AIDS.

Dr. Preston Marx, an expert in AIDS at the California Primate Research Center in Davis, called the new research ground-breaking. He said that other researchers could now expand on the studies.

Dr. Michael Murphy-Corb of the Delta Regional Primate Research Center in Covington, Louisiana, said that the new monkey studies "show great promise to a future vaccine." But she said that the killed vaccine used in the monkey experiments would have to be made more potent to offer hope for humans.

Dr. Murphy-Corb said that she was doing similar vaccine research in monkeys and getting "very promising" results.

Sworn In, de Klerk Sees South Africa 'New Era'

By William Claiborne

Washington Post Service

PRETORIA — Pledging a "new era" in which a cycle of racial conflict and world isolation would be broken, Frederik W. de Klerk was sworn in Tuesday as South Africa's second president after Pieter W. Botha's abrupt resignation Monday night in a showdown with his rebellious cabinet.

Mr. de Klerk said that he still planned to go to Zambia on Aug. 28 — the issue that triggered Mr. Botha's angry resignation three weeks before a national election — if his new duties allowed him to do so.

He praised Mr. Botha for initiating a debate with traditionally hostile black-ruled states in southern Africa, and said that Mr. Botha had "successfully started pulling South Africa out of its dead-end streets" into an era of negotiated peace.

Mr. de Klerk announced that a new Parliament would be convened on Sept. 13, a week after the segregated general elections, and that an electoral college would choose a president for a five-year term on Sept. 14.

The governing National Party, which has a better than two-thirds parliamentary majority, is expected easily to win the election in the whites-only chamber and to name Mr. de Klerk the fourth head of state since South Africa became a republic in 1961. The National Party came to power in 1948, when

South Africa was part of the British Commonwealth.

Shortly after the swearing-in ceremony, Mr. de Klerk said the intra-party turmoil that precipitated Mr. Botha's resignation could have a positive effect in the campaign, because the opposition Democratic Party will no longer be able to capitalize on the leadership struggle that emerged when Mr. Botha resigned as National Party leader on Feb. 2 and was replaced by Mr. de Klerk.

Mr. de Klerk, who opposed Mr. Botha's idea of separating the posts of party leader and head of state, said that the Democrats had "been playing us off one another."

Political analysts have suggested that the extreme-right Conservative Party, which holds 23 seats in the 178-member white chamber of Parliament, could seize on Mr. de Klerk's planned meeting with Mr. Kamanda to revive national security as a primary campaign issue.

Mr. Kamanda is the leader of the black-ruled front-line states that have led the campaign to impose punitive economic sanctions on South Africa. He is also the continent's chief patron of the banned African National Congress, the main guerrilla force contesting white-minority rule in South Africa.

Mr. de Klerk said he probably would not use his position as acting president to pardon and release Nelson Mandela, the imprisoned national congress leader. He indicated that Mr. Mandela's future would be considered after the voting.



Frederik de Klerk taking the oath Tuesday as acting president.

in which all South Africans, regardless of color, would participate in the decision-making process but without domination by any single group.

"There is no doubt that we stand on the threshold of a new era," Mr. de Klerk said. "History, I believe, offers us a unique opportunity for peaceful solutions. I trust the people of South Africa will show the courage and vision required to break the cycle of conflict, tension and isolation which has gripped us for so long."

Mr. de Klerk said he would follow his party's recently adopted five-year plan for political change,

30,000 Join Protest Against Bicentennial

Agence France-Press

PARIS — An estimated 30,000 royalists and Roman Catholic traditionalists marched here Tuesday chanting Ave Maria to protest celebrations of the bicentennial of the French Revolution.

About 7,000 people attended a morning Mass in Latin outside the Louvre, intended as penance for the "sin" of the 1789 revolution, which the anti-Republicans say was an unwarranted bloodletting.

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A Date With Neptune

As the Voyager 2 spacecraft makes its way deeper into deep space, sending back bulletins and pictures from Saturn, Uranus and now Neptune, it gets harder and harder for those left behind to grasp the vastness of the distance involved. One detail from recent news accounts may help. The people feeding flight instructions to Voyager 2 from home — that is, from the Jet Propulsion Laboratory in Pasadena, California — have to "speak-into" the craft in tiny increments because the six computers on board have only about 32K of memory altogether, one one-thousandth of the capacity of your average desktop word processor. Why is a groundbreaking spacecraft equipped with only 32K of memory? Because it left this planet in 1977, 12 years ago, when the desktop and the laptop were dreams of the future; when the hand-held calculator and the silicon chip were very new news.

Voyager 2 has been traveling — lately, at about 16 kilometers a second — since before the personal computer explosion, before the VCR and the CD player, before the telephone answering machine or the Reagan presidency.

Through all that time, it and its twin, Voyager 1, have been diligently taking pictures. In 12 years and 7.2 billion kilometers,

they have given the folks back home quite a tour. There are newfound rings and moons and moonlets; there are the volcanoes on Jupiter and the giant snowballs in the rings of Saturn and the haze and lightning in the atmosphere of Uranus, whose flock of moons are named after characters from Shakespeare. Voyager 1 swung close by Saturn and its moon Titan, close enough to show us tar swamps and storms of frozen gasoline. Then it took a sharp turn out of the solar system, away from the plane in which the planets orbit. Now, says a mission scientist, it is "sleeping," broadcasting little from its instruments, headed quite literally toward the middle of nowhere.

Voyager 2 will end up going there, too, but not before its rendezvous on Aug. 24 with Neptune, a planet discovered only in the 19th century and still a mystery in most respects. Now, with the distance set to drop to 4,800 kilometers at the height of the pass, scientists can already see parts of four rings, and the view is improving. NASA is gathering the images by satellite and offering them to any television station that is interested. And Voyager will head onward to points unknown, leaving behind on Earth a universal gasp of wonder.

—THE WASHINGTON POST.

Dithering Over Missiles

A rare window has opened in Soviet-American negotiations to control nuclear weapons. How is the United States responding? By dithering.

"A solid working relationship" is what Richard Burt, the U.S. strategic arms negotiator, says he and his Soviet counterpart, Yuri Nazarkin, achieved in the latest round of talks in Geneva. It's nice for negotiators to get acquainted, but why not more?

After all, the START negotiations have been going since 1985. Ronald Reagan, with lots of help from Mikhail Gorbachev, was well on his way to an agreement when he left office. But George Bush has been slow to get off the mark. His administration has spent eight months reviewing its negotiating position. It has not yet decided — whether for lack of internal accord, fear of right-wing reaction or failure of leadership — what to do about three obstacles to agreement: whether to ban mobile missiles; whether to revert to the traditional strict interpretation of the Anti-Ballistic Missile Treaty or to allow new testing; how to limit sea-launched cruise missiles.

The recent negotiating round, the 11th, dotted some I's and crossed some T's in the draft treaty, but brought these issues no closer to resolution. Determination on both sides could cut through the differences.

Consider the issues of mobile missiles and defenses. The U.S. negotiating position is to ban all mobile land-based missiles. The Soviets are now deploying two such mis-

siles. The United States cannot seem to decide whether to build new single-warhead Midgeman missiles, which can be driven around on trucks, or to take its 10-warhead MXs out of their fixed silos underground and put them on rail cars.

The two sides have developed mobile missiles because of missile accuracy made fixed silos vulnerable. Even accurate missiles cannot hit moving targets. But the vulnerability problem has another solution: to negate the cuts in the accurate missiles that cause the problem. Soviet SS-18s and U.S. MXs. Such cuts would let the United States put off a costly investment in mobile missiles.

The Soviets would need something in return. They want assurances that the United States will not test and deploy anti-missile defenses in violation of the ABM treaty. Such assurances might make them willing to cut way back on SS-18s.

Secretary of State James Baker and Foreign Minister Eduard Shevardnadze can explore such ideas when they meet in Wyoming on Sept. 19 and 20. A creative compromise would give impetus to the next negotiating round scheduled to start just five days later. Rarely since World War II have politics and technology combined to give the superpowers a better chance to ease the nuclear peril. In Mr. Gorbachev, Mr. Bush has a partner willing and able to see his way through to an agreement. He dare not let this opportunity pass.

—THE NEW YORK TIMES.

Yes, Speak the Language

How well do the foot soldiers of the U.S. Foreign Service speak the languages of the countries they are sent to? The question arises whenever a region is gripped by unforeseen troubles, and to a lesser extent when a president's ambassadorial choices come under attack for their qualifications — as, for instance, in Senate hearings this summer in which the designated ambassador to Madrid, the Florida real estate developer Joseph Zappala, was criticized for not knowing any Spanish. While good training and translation can often compensate for an ambassador's language shortcomings, the more widespread weakness among embassy officers are a more serious matter. Despite several serious attempts at improvement in recent years, as well as hearings held in December by Senator Paul Simon, the answer to the question is still "Not very well."

In contrast to the high level of English fluency among foreign diplomats posted in America, U.S. Foreign Service officers going abroad still suffer from a system that does not put high rewards on attaining serious fluency, and in some cases stacks the incentives against it. An influential report to the State Department in 1986, focusing on proficiency in the so-called hard languages of Arabic, Japanese, Chinese and Russian, concluded that "if the Foreign Service had set out deliberately to devalue language ability and to create a professional environment hostile to the development of language skills, we could hardly have done a better job."

That report by a retired officer, Montague Stearns, criticized the Foreign Service's traditional "time-in-class" rule, under which officers who do not attain a promotion within a fixed number of years are permanently denied it and, at some levels, must leave the service. Likewise, beginning officers on probation have only five years in which to reach "tenure." In both cases, prolonged language study or study of a "harder" language means time lost from progress toward those goals.

The Stearns report called for "docking the clock" during any long-term language study. According to the service's school of foreign languages, implementing that change has meant a marked increase in study of the more difficult languages.

Despite progress on this front and on other of Mr. Stearns's recommendations — which included suggestions for more frequent and sophisticated testing, for more high embassy positions set aside for those with language proficiency and for better financial incentives for language experts — more recent hearings show that the service still has a considerable distance to go. As in other international endeavors, from education to business, the need for foreign language fluency is ever sharpening. More important, the need is still well ahead of the respect and rewards that foreign gleams. Among those who actually conduct foreign policy, this capability is, if possible, even more important than before.

—THE WASHINGTON POST.

Other Comment

A Reformer After Botha?

The career of P. W. Botha stands as a warning against easy assumptions about how his successor will behave. In his early days as South Africa's leader, Mr. Botha was regarded as a reformer. Afrikaner support for apartheid is very far from dead.

—The Independent (London).

Two Approaches to Space

The launchings by ArianeSpace, the European consortium, and America's NASA were an illustrative lesson in the orientations of the two space programs until now. On the same day an Ariane rocket blasted off to orbit a West German satellite to improve that nation's television system and

a multinational satellite to increase mankind's knowledge of the stars, and the United States's Columbia shuttle soared aloft on a secret military mission, widely believed to involve a sophisticated satellite to spy on the Soviet Union. ArianeSpace is the world leader in the highly profitable business of commercial satellite launching. It and the European Space Agency have concentrated on peaceful uses for space technology. The U.S. space program, however, has seemed increasingly dominated by defense-related and military interests, although there are now some signs that this is changing. We support the wisdom of keeping space missions in the civilian sector and hope [Japan's] practice and that of Europe will continue to encourage others to do so as well.

—The Japan Times (Tokyo).

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OPINION

Diplomacy, Force and a Dash of Ambiguity

By Joseph J. Sisco

WASHINGTON — Constructive ambiguity. That is what diplomacy is all about. George Bush is practicing both as he orchestrates policy on the hostage issue.

The overall U.S. objectives are constructively clear. The administration speaks the release of all hostages and, at the same time, a normalization of relations with Iran. What is being kept constructively ambiguous for the time being are the specific steps that the United States is willing to take to achieve both objectives.

President Bush is doing things differently from Ronald Reagan. He has prevented the government from being preoccupied with one issue — a pattern that was so typical in previous hostage crises.

Force and diplomacy are not being viewed and pursued as alternatives but as complementary.

The president has eschewed an unrealistic quick fix or partial settlement. The human value of the hostages is being steadily recalled but not at the expense of U.S. long-term interests to remain a major power in the Middle East and the Gulf region.

In addition, Congress is being seriously consulted before decisions are taken, not after the fact.

Finally, Mr. Bush is applying the lesson that Washington learned during the Cuban missile crisis when Nikita Khrushchev sent two contradictory statements, one positive and one negative. John Kennedy and his key advisers addressed the positive one and disregarded the other.

In this instance, President Bush is following up on President Hashemi Rafsanjani's indications of possible willingness to help solve the hostage problem, while disregarding threats by Interior Minister Ali Akbar Mohtashemi and the country's spiritual leader, Ali Khamenei.

None of this assures success, and indeed the odds are very long. What more can be done?

First, the United States ought to continue to act on the assumption that Iran can produce results. And it ought to indicate the rewards for

such results quietly, through diplomatic channels, without making concessions or trading arms and dollars for hostages. Indeed, it would be premature to spell out U.S. terms publicly.

President Rafsanjani has not fully consolidated his position as the successor of Ayatollah Ruhollah Khomeini and is operating on a collective basis. Still being shared between religious and secular leaders, despite constitutional revisions that strengthen presidential powers, with the armed forces in a supporting role. This triad is apt to exist for a while. At some point, however, President Rafsanjani will need concrete indications as to where matters can lead if the hostages are released.

Iran needs help from Western Europe and Japan in strengthening its economy, in getting advance technology and in gaining favorable access to Western markets. These countries, too, ought to be willing to indicate what the future will hold for Iran if it turns seriously to the West.

Second, the United States ought to step up its efforts now to close the gap between Israel and the Palestine Liberation Organization on elections in the West Bank and Gaza. The situation in Lebanon, terrorism and hostage-taking derive from fundamental differences in the area. The elimination of the latter can come only if there is a comprehensive settlement among the Israelis, Arabs and Palestinians.

The United States also needs to be more active at a higher level. Secretary of State James Baker could become more directly and intensively involved in the peace process. A good opportunity for quiet, indirect diplomacy will come during the first weeks of the United Nations General Assembly

session in September, when more than 100 foreign ministers and a score of chiefs of state will be in attendance. The subsequent phase should then be turned over to a high-level envoy who could give full time to the peace process.

The current period is an opportunity for testing Tehran. President Bush's apparent recognition of this is welcome. Since he has flexibility, it is essential that the military option be maintained because it may be necessary to escalate military pressure to achieve positive diplomatic results. And he also has the support of the public, if for no other reason than the widespread feeling that the United States has been put through the wringer once too often.

The writer, a former career diplomat, was undersecretary of state for political affairs in the Nixon and Ford administrations. He contributed this column to The New York Times.

IT WAS A VERY SUCCESSFUL OPERATION...
... WE GOT ABC NEWS, NBC, CBS, CNN...



Nixon Left His Mark, and It's Still All Around Us

By Roger Morris

LOS ANGELES — It was a dramatic, unparalleled scene in the history of American politics. The choked, emotional farewell to the last of the loyal White House staff, the red carpet rolled out to the waiting helicopter on the South Lawn. Then, with a last characteristic wave at the door, Richard Nixon, who had been with us somewhere on the national stage for so long, was suddenly gone.

The 37th president of the United States had resigned from office under the threat of impeachment, soon to be saved from a likely criminal

here than meets the eye. His mutual propping with Leonid Brezhnev's corrupt and sclerotic government may only have delayed and obstructed the liberalization that we now see unfolding in the Soviet Union. And the savage repression in China shows all too clearly the character of the regime that he embraced so expediently in Beijing in 1972.

It was also Mr. Nixon who instituted in earnest the covert little Putin and proxy wars that now pass for U.S. foreign policy in the Third World, who presided over the first, perhaps fatal decline in U.S. competitiveness and currency strength, whose refracted Realpolitik with Henry Kissinger roundly ignored the real problems of poverty, migration and environmental decay that threaten to overwhelm statesmanship in the next decade.

At any rate, his profligate, and his mark, are everywhere — from a defeated young Texas politician named George Bush whom he rescued from oblivion in 1970 and named to the United Nations ambassadorship, to Chief Justice William Rehnquist and his conservative majority on the Supreme Court, or to the former Kissinger aides and clients who crowd the upper levels of the National Security Council and the State Department, guiding the frozen hands of an uncertain new administration.

The real danger to memory is not in romanticizing Mr. Nixon's global strategies, or mistaking his considerable patronage. The problem goes much deeper, coming home to the nation and body politic Americans truly are — and to how much this once-disgraced, fallen president made us so.

For it was also Mr. Nixon who largely wrought

the Republican revolution in the South and the West, and thus redrew the map of America's Electoral College politics that gave us Ronald Reagan and Bush. More than any other politician of the era, it was Mr. Nixon who led and rode the huge tides of anti-Communist fear and reaction, and the great-furtive counterevolution against the racial and social upheavals of postwar America — all of which have driven the Democratic Party into a political wilderness from which it has yet to emerge.

Back further still, in the brilliant and tireless young politician he was at his beginnings, it was Richard Nixon who represented above all the elemental forces of corporate power, finance, agriculture and energy, who epitomized the manipulative might of the media in politics, who in California in so many ways pioneered the use and masking of great money in political campaigning. And, above all, who artfully tapped the insidious prejudice, vengeance and smear mentality in American politics long before George Bush ran his effective ads against Michael Dukakis.

Richard Nixon is never going to be the most beloved American president of the century. But he is going to turn out to be the quintessential politician of the epoch, and most of what he really embodied is in the ascendancy.

It has been a long time since they rolled up that red carpet from the departing helicopter, but he is with us still. And in the end, in ways yet little understood, he has probably won.

The writer's book "Richard Milhous Nixon: The Rise of an American Politician, 1913-1952" will be published in the fall. He contributed this column to the Los Angeles Times.

Watergate Quiz: What Was the 'Rose Mary Stretch'?

By W. S. Moorhead

WASHINGTON — Fifteen years ago this month, Watergate, the greatest scandal in American political history, ended with the resignation of President Richard Nixon. In addition to the transcendent importance of its lessons — especially that no American, not even the president, is above the law — Watergate was also one of the century's great entertainments.

It started a man who held America's highest office, who was shown to have deliberately lied to the public for more than two years and yet who, when he was finally forced out of office, had the nerve to say: "I wasn't lying. I said things that later seemed to be untrue."

Let us return to those remarkable days of whistling, spies, tough guys, code names, paper-shredding extrajudicials, government burglaries, inter-agency sabotage, big-dollar influence peddling and an epic showdown among the three branches of government. See if you can remember what you knew, when you knew it, and if you know it still. (The answers are listed on the opposite page.)



NIXON AS ELDER STATESMAN, BY AULTE

1. Who said, "By God, [Mr. Nixon] got some former CIA men working for him that I'd kick out of my office — some day that bunch will serve him up a fine mess?"
2. What figure offered to take the blame for the break-in and then have himself shot on a street corner?
3. Which of these three advertising accounts did H. R. Haldeman not manage for the J. Walter Thompson agency? a) Sami-Flush, b) Airwick, c) Black Flag.
4. After the break-in, G. Gordon Liddy had a number of \$100 bills left over from financing the operation. What did he do with them?
5. Who said, "I would walk over my grandmother if necessary" to assure Mr. Nixon's re-election?
6. Mr. Nixon was the first president to have Oval Office conversations secretly recorded. True or false?
7. Who said, "If you ever put your arm on me again, I'm going to break it off your shoulder and beat you to

- death with it?" To whom did he say it?
8. Whom did Mr. Nixon call "two of the finest public servants it was my privilege to know?"
9. What presidential candidate did J. Edgar Hoover have bugged in 1967?
10. Which of these were advanced as serious explanations for Watergate? a) Mr. Nixon was concealing the ultimate "White House Horror"; that he had been paid off by Saigon hand-suggest he left "twisting slowly, slowly in the wind?"
15. Who told Mr. Nixon that there was "a cancer on the presidency?"
16. Mr. Nixon was the first president to be subpoenaed. True or false?
17. What Watergate event generated the heaviest telegram traffic in the history of Western Union? a) The "I am not a crook" statement. b) The Saturday Night Massacre. c) Mr. Nixon's resignation.
18. Name the three men who lost their jobs in the course of the Saturday Night Massacre.
19. Who finally fired the special prosecutor who was pressing Mr. Nixon for the White House tapes?
20. What did the "smoking gun" tape of June 23, 1972, reveal?
21. Who called Richard Nixon "the weirdest man ever to live in the White House?"
22. The tape of an Oval Office meeting held three days after the break-in featured a mysterious gap. How long a gap was it? What did John Ehrlichman testify had been under discussion during the gap?
23. What was the "Rose Mary stretch"?
24. What was Ron Ziegler's response when it was suggested that President Nixon apologize to the American people?
25. Although administration officials were privately aghast at Mr. Nixon's performance on the tapes, a special assistant to the president who was also a Jesuit priest stated publicly that, on the tapes, "The president acquitted himself throughout these discussions with honor." Who was that priest?
26. What was Gerald Ford's reaction to the tapes?
27. Where was the press conference held at which Mr. Nixon said he was "not a crook"? Why did Mr. Nixon afterward slap a bystander?
28. After the impeachment vote, the committee chairman, Representative Peter Rodino, was informed by the sergeant at arms that the committee chambers were in danger. What was the nature of that danger?

29. During a telephone conversation, Martha Mitchell once told UPI's Helen Thomas that she had given her husband John an ultimatum to get out of politics. Before Miss Thomas could respond, something happened. What was it?
30. Who wrote the following? "He did a disservice to the nation and to his own party by stubbornly maintaining [his] position as evidence piled up to the contrary. His error was sheer stubbornness in refusing to admit a mistake. I feel chose to handle the crisis which faced his administration with the outworn rule of thumb, 'Leave the political skeletons hidden in the closet and keep the door locked.'"

The writer is a telecommunications consultant and entrepreneur who published a "Watergate Quiz Book" in 1983. He contributed this sampling to The Washington Post.

100, 75 AND 50 YEARS AGO

1889: Imperial Visit

BERLIN — Amid the roar of artillery the Austrian Emperor and the Archduke drove down the Linden yesterday [Aug. 15], accompanied by Kaiser Wilhelm, to take their departure for home. It would be foolish to attempt to belittle the political significance of the Imperial visit. The young Emperor's hardy toast had the ring of a sword struck on a shield. The maneuvers yesterday, the smokeless powder, the meeting of Bismarck and Kalnoky, of Beck and Waldersee had but one significance — the sounding of a note of warning to disturbers of Europe's peace. The General Staff of Germany is undoubtedly elaborating not a plan of aggressive warfare but a scheme of concerted action in case she is attacked.

1914: A Pledge to Poles

ST. PETERSBURG — Czar Nicholas has issued a proclamation to the Poles of Russia, Germany and Aus-

Nicaragua: Endgame For Contras

By Stephen S. Rosenfeld

WASHINGTON — There is talk that the contra issue is going to heat up again. But who needs another battle over, least of all in Nicaragua? A kinder, gentler result in Washington and in Managua ought to be the goal.

What has happened is that the Sandinistas made a major opening to their political opposition at home. This stroke undercut the Bush administration's hope to have the five Central American presidents endorse keeping the contras in place in their camps in Honduras through the elections scheduled next February. Instead the five set a December deadline for closing the resistance area.

So now the question is whether the United States will pitch in to give life to a December countdown, or sit back, wink to the contras to hang on and thereby add to the already heavy doubts that the airy new Latin plan will get off the ground.

The Democrats would hold hands with the Latinists in the name of the "peace process" and inter-American cooperation. This is how they would define the "bipartisanship" to which President George Bush committed himself last March. And now that Managua has promised to open up the electoral process, there is a case for declaring victory, sending the contras home (or sending them somewhere, but "voluntarily") and counting on economic distress to keep the regime in Managua passably honest.

It could come to this if Congress, rather than prolonging humanitarian aid to the contras until February, exercises the option that Mr. Bush gave it to halt the aid on Nov. 30.

But that would mean that Congress was taking upon itself the burden of stacking the odds in extra measures against fair elections.

Even after it became evident that the contras were squeezing political compromise out of Managua, liberals resisted granting that pressure makes a difference. The record in Central America demonstrates, however, that a diplomatic opening with pressure behind it works better than one without. It is reasonable to expect that elections may go better if the contras are kept in their camps in Honduras — not shooting, just sitting — until February than if they are disarmed and dispersed 10 weeks earlier.

It is even possible to suspect that the Latin presidents are prepared to live with the delay if they do not have to take responsibility for it. The frail states of the region have an immeasurably greater investment in the successful democratization of Nicaragua than does the distant and powerful United States. Not the least of U.S. services to the region is to do this sort of heavy lifting and to take a certain amount of abuse for it.

Everyone knows, moreover, that it is the longest of long shots that Washington will find a way to put the contras back into military action. U.S. strategy does not require it, and U.S. politics would not permit it. Having concluded a frustrating eight-year experiment in deep regional engagement, it would be bizarre to start up another. Mr. Bush did the bipartisan thing last spring, and there is no going back. He is not so hopelessly in lock to his party's right wing as to try.

Do I hear a voice saying that "all of us" know no such thing? That Mr. Bush or the conservatives he must accommodate have a hidden agenda to provoke President Daniel Ortega into electoral excesses and, on their back, to reclaim the contras? A fantasy. Much the more likely possibility, I fear, is that Mr. Ortega will learn a little bit about American politics and conclude that he can get away with cheating.

Meanwhile, Washington should not be too eager to advance his political education. Obsessed by the history of 20th century U.S. intervention in Nicaragua, the Sandinistas apparently believe that the reinvention of the contras is a possibility. If, to stave off what they regard as a threat, they move a degree or two closer to democracy, should Americans object?

If the Sandinistas regard the contras as a continuing menace, they have in their hands a savior way to cut it off: to make the further internal changes that will draw the contras back into the legal public life of the country. Managua cannot be turning to take back up to 60,000 contras and family members, and so far its strategy has been to split the internal political opposition from the external military opposition.

But the new agreement of the five presidents strengthens the Sandinistas' obligation to rebuild a Nicaraguan family. The contras have their own obligation to play the endgame in a way that explains any reasonable opportunity to go home.

The Washington Post.

1939: Danzig Report

LONDON — August 15, the day picked by prophets for a new European crisis, passed into history with the British government studying a "highly confidential" report from Dr. Karl Burkhart, League of Nations High Commissioner for Danzig, on his weekend consultation with Chancellor Adolf Hitler. The only information the Foreign Office could vouchsafe about the document was that it did not contain any proposal from Hitler for a "settlement" of the Danzig dispute. No proposals about the free city have reached London.

OPINION

China: A Few Sad Words From a Few Governments

By A. M. Rosenthal

NEW YORK — We will never be able to say we did not know. The Communist rulers of China, with understandable contempt for the United States and other governments that like to prattle and prance about human rights when it does not cost much, are telling us exactly what they plan to do to prevent any new demands for freedom from their young people.

They are going to take the best of them, by the thousands, and try to kill their minds. They will be sent deep into China to work at hard labor on

completely recover from the shock of finding its young people rising in protest against it. The protest was peaceful. But to a tyranny what counts is the opposition, not the method.

A new report by the International League for Human Rights says that the number of people killed by the Chinese army was "well into the thousands and the total of those injured well over 10,000." Many corpses were burned, many wounded disappeared forever into the hospitals. The report says that according to a Hong Kong estimate at least 30,000 people were arrested.

But the Chinese rulers have learned that the international price for the butchery in Beijing is quite reasonable. A few sorrowful words from capitals here and there, the U.S. suspension of military sales and of high-level meetings, a slowing down of loans, loss of tourists for a while — that's about it.

Even that does not long endure. Secretary of State James Baker meets with the Chinese foreign minister in Paris. Senator Warren Rudman, Republican of New Hampshire, talks with top Beijing officials and says the White House had no objections at all, tourist agencies start planning for next year.

And the two most influential American supporters of the Chinese government are planning to go to Beijing — former President Richard Nixon tentatively and Henry Kissinger definitely. The Deng government will then be able to tell its people that it still has sympathy in high places in the United States, which is true.

Mr. Kissinger, a friend and dieting role model, wrote recently that the "events" in Beijing were within China's domestic jurisdiction.

That should come as a nasty surprise to the people who drew up the charter of the United Nations (if you will forgive the expression), the International Declaration of Human Rights and the hundreds of other documents signed by the Chinese pledging not to kill or torture their citizens and respect their rights to fair trials — and to all you sentimentalists who still believe they are in effect.

Anyway, Mr. Kissinger writes, no government would have tolerated all those people messing up the square for so long — right in front of the main government building. That is one way of looking at it. I prefer this, from the report of the International League:

"It is clear that those involved in the pro-democracy movement were overwhelmingly peaceful in their objectives and their actions. What they posed was not a threat to the life of the nation, but a threat to a ruling group desperate to retain its own power and privileges. Under international law, that is not enough."

No, not enough — but at least we won't be able to say we didn't know.

— Los Angeles Times

The New York Times



LETTERS TO THE EDITOR

A Neighbor Will Be Missed

As a writer, I often wonder if anybody out there is reading, in spite of sales figures or publishers' reports. Then there is the occasional letter that says so.

After moving to Europe several years ago I became more and more accustomed, through your pages, to the reporting of James M. Markham of The New York Times. I felt mildly disgruntled when he was transferred from West Germany to Paris, as if a trusted neighbor had moved away.

Although I never met him, he regularly appeared at my breakfast table, on a work break over coffee, never intrusive, always welcome, invariably — I now realize — taken for granted.

On hearing of his death, I feel as if I have lost that neighbor whose version of events could be trusted, whose interruptions of my schedule clarified the day, whose observations earned my attention and respect. I wish I had dropped him a note — nothing heavy, just neighborly — to say so.

STEVEN BACH, Munich.

A Hong Kong Alternative

Regarding the debate over the right of abode for the Hong Kong Chinese, perhaps South American countries that are faced with economic ruin could open their doors to them, with a guarantee that those who came would invest a certain

amount of capital in industries or start a business employing at least two persons. This would take those who wanted to leave Hong Kong before 1997 half a world away from Beijing's rule. They would be able to conduct business as usual, with their special aptitude, while guaranteeing a brighter economic future for South Americans.

TAEWON PARK, Seoul.

Ask Some Octogenarians

Thank you for printing Lillian Stevens' moving article, which makes the case for voluntary euthanasia. ("I Think the Almighty Will Forgive," *Meanwhile*, Aug. 9). The medical profession labors under

the delusion that its main aim should be the willy-nilly prolongation of life. A sounding among octogenarians would find that a huge majority would prefer to die in dignity rather than wait until they were pain-racked mumbling idiots unable to recognize even their own children.

NESTA COMBER, Venice, France.

A Novelist's Potent Prose

The terse lucidity of Tom Clancy's "An Impotent America Can't Expect Respect" (*Opinion*, Aug. 13) was so refreshing. How come it takes a novelist to write as journalists should?

KEITH MONK, Brussels.

Answers to the Watergate Quiz:

1. J. Edgar Hoover, just before his death in May 1972.
2. G. Gordon Liddy made the offer to White House counsel John Dean.
3. h.
4. He shredded them.
5. Charles Colson.
6. False. The first president to record Oval Office conversations was Franklin Roosevelt.
7. Mr. Liddy said it to Jeb Magruder after the latter put him on his shoulder to offer some friendly advice.
8. John Ehrlichman, H.R. Haldeman.
9. Richard Nixon.
10. They were all advanced as serious explanations.
11. Mr. Nixon and the former CIA director Richard Helms.
12. By moving a flower pot containing a red flag to the back of his balcony.
13. In a laundry bag, Mr. Ulasevich,

who came to refer to the hush money as "the laundry," had trouble transferring the cash, however. He was disposed to make all White House-related phone calls on public pay telephones, and as a result needed so much change that he used a bus driver-style change-holder.

14. Patrick Gray, who had been named to head the FBI but whose nomination had run into trouble.

15. John Dean.

16. False. Thomas Jefferson was the first president to be subpoenaed. He also ignored it.

17. b.

18. One was Special Prosecutor Archibald Cox, whom Mr. Nixon wanted fired because he kept pressing for the tapes. The others were Attorney General Elliot Richardson and Deputy Attorney General William French Smith, who both refused to fire Mr. Cox.

19. Robert Bork, who was third in line, finally fired him.
20. That Mr. Nixon was in the middle of the cover-up from the beginning; that Mr. Haldeman intended to use the CIA; that John Mitchell originated the break-in plan; that Mr. Nixon might be able to contrive a national security justification; that investigation of Howard Hunt could uncover other unsavory things.
21. H. R. Haldeman.
22. Eighteen and a half minutes. Mr. Ehrlichman said that during that period he and Mr. Nixon discussed welfare reform and busing.
23. Rose Mary Woods, Mr. Nixon's secretary, said that she may have caused the famous 18½ minute gap as she stretched to make a phone call. She was unable to duplicate the "stretch."
24. "Constitution is [expensive]."
25. Father John MacLaughlin.
26. Mr. Ford said he had read the tape transcripts and they showed Mr. Nixon to be innocent of any charge.

27. The press conference was held at Fantasyland in Walt Disney World. On leaving, Mr. Nixon approached a man and a boy standing outside the auditorium and asked the man if he was the boy's mother or his grandmother. When the man replied that he was neither, Mr. Nixon slapped the man's face, said "Of course you're not" and walked off. (Some reporters at the scene surmised that Mr. Nixon's vision was hampered by bright floodlights, and said the slap seemed to be an apologetic tap on the cheek. The man involved was quoted as saying the president's gesture was "the greatest honor that I've ever had.")
28. He said a kamikaze plane had taken off from National Airport headed for the committee chambers.
29. A Republican National Committee security guard ripped Martha Mitchell's phone out of the wall.
30. Mr. Nixon, about Harry Truman's handling of the Alger Hiss case. *The Washington Post*.

Winston Churchill once said courage is "the greatest of all human virtues because it makes all the other ones possible." That was certainly the case for the Democratic congressman from Houston. He had the courage not just to fight the right causes, but also to recruit others to the cause — Republicans as well as Democrats, lower level staff as well as big-name politicians. He made you feel that you were part of something good, that you were good yourself just for being part of it, even if you were just tagging along.

Americans are used to fads. For a time the focus is on the horror of African famine, then it is on to another cause célèbre. Mickey Leland stayed with the fight. He refused to be distracted from the horror he had seen.

Best of all, the congressman was a lover. He could sit with a dictator like Ethiopia's Mengistu and try to find common ground. He was captivated by the idea of bringing the United States and Fidel Castro's Cuba together. He had a bigger notion of "us" than most of us do.

Perhaps the greatest memorial to Mickey Leland, and to the way he approached life, was his wedding. He was a Roman Catholic. He was also an African-American from the Baptist South. I will never forget sitting at said, old St. Matthew's Cathedral here in Washington watching Mickey and his friends bring those two cultures together.

Mickey was a very lucky man. You could see it in his face when he spoke of his young and vibrant wife, Alison, and when he showed off his child's picture. He couldn't believe he had been so fortunate. He died at age 44, reminding his luckier brothers of those not so lucky, telling the hopeless that they, too, are part of man's family and they, too, are loved.

Mr. Matthews, a former speechwriter for President Jimmy Carter, is a columnist with King Features Syndicate, Inc.

GENERAL NEWS

Japan: War and Uneasy Remembrance

By Fred Hiatt

Washington Post Service



An elderly woman, mourning the war dead at the Yasukuni Shrine.

TOKYO — On the 44th anniversary of its surrender to the United States, Japan seemed far from at peace on Tuesday with its memories of the Great Pacific War.

In the Budokan, the Martial Arts Hall near his palace, Emperor Akihito paid tribute to more than 3 million war dead, bowing solemnly before a wall of yellow and white chrysanthemums on a black cloth backdrop as 7,600 politicians and family members of the dead watched and prayed.

Just across the palace moat, Takako Doi, the Socialist Party leader who hopes to become Japan's first leftist prime minister, attended a separate ceremony at the tomb of the unknown soldier, a ceremony equally solemn but devoid of religious and imperial trappings.

A few blocks away, at the Yasukuni Shrine where war dead and Allied-adjudged war criminals are enshrined as gods, white-haired veterans demanded that Japan stop apologizing for its behavior in World War II. "America labeled our leaders criminals, but that has nothing to do with Japan," said a 71-year-old army veteran who was there when the atomic bomb fell on Hiroshima. "Killing is wrong, but in war it's what you do."

The various observances reflected different views of history that resonate down the decades to shape different images of Japan's future — great power or peaceful follower, religious constitutional monarchy or secular republican democracy. While 16 of 21 cabinet ministers visited the Yasukuni Shrine Tuesday, opposition politicians held street rallies denouncing what they called Japan's remilitarization.

Oblivious to the debate, meanwhile, thousands of ordinary Japanese, dressed in black or in somber kimonos, streamed into the shrine to pay tribute to brothers, friends and husbands. Kazuo Ohta, 77, who raised four children after her husband was killed in New Guinea in 1944, said she comes to Yasukuni every month. Miki Muroi, 51, was living in Beijing under the Japanese colonial censure when she heard Hirohito's surrender speech in 1945. She said she comes every year to remember a friend lost in the war.

It was all part of a cycle of remembrance that seems, every August, far more intense than comparable activities in the United States on V-J Day or Memorial Day, perhaps because Japan lost the war and was occupied for seven years, perhaps because the Japanese endured the firebombing and the atomic bombing of their homeland.

In August the Japanese eat broiled eels to keep up their

strength, return to their hometowns to pay homage to ancestors, catch fireflies and beetles, attend summer cram schools to prepare for next year's exams, drink cold sake on teeming beaches — and remember the war.

There are television documentaries on the Japanese in China, newspaper accounts of newly unearthed atrocities; peace groups demonstrate in the atomic-bombing cities of Hiroshima and Nagasaki; politicians continue unresolved debates.

Tuesday's ceremonies offered something of a changing of the guard. Akihito, who became emperor seven months ago, was a boy of 11 living in a mountain retreat far from U.S. bombs when his father took to the radio 44 years ago, allowing his subjects to hear his voice for the first time and telling them they must "endure the unendurable" and lay down their arms.

Toshiki Kaifu was a 14-year-old waiting to be called into the boys' air corps when he heard the surrender message. Last week he became the first Japanese prime minister too young to have served in the war.

But both followed the careful scripts of their predecessors Tuesday, trying to satisfy the demands for patriotism and remembrance without offending the victims of Japanese aggression in Korea, China and elsewhere. Although most of his cabinet visited the Yasukuni Shrine, Mr. Kaifu himself attended only the official ceremony at the Martial Arts Hall.

There Akihito, in morning coat, turned his back on the audience to address the souls of those lost in the war as Empress Michiko, in white suit and hat, stood a step behind him.

"Looking back it has already been 44 years since the end of the war," Akihito said. "In the midst of the peace and prosperity of today brought about by the unifying hand of the people, I recall the times replete with hardship, and my mind is filled with a thousand emotions."

Quake Traps Hundreds In Indonesia Province

United Press International

JAKARTA — Hundreds of earthquake victims trapped for almost two weeks in isolated reaches of the province of Irian Jaya may be in danger of starvation unless rescue workers reach them with food officials said.

Rescue efforts continued in Indonesia's easternmost province where the death toll from the Aug. 1 earthquake rose to 120, with at least 600 injured.

Minoru Genda, 84, Dies in Japan, Planned 1941 Pearl Harbor Attack

Compiled by Our Staff From Dispatches

TOKYO — Minoru Genda, 84, an airman in Japan's Imperial Navy who helped plan the Dec. 7, 1941, attack on Pearl Harbor, died of heart failure on Tuesday, the 44th anniversary of the end of World War II, news reports said.

Mr. Genda, chief of staff of the navy's First Air Fleet, helped Admiral Isoroku Yamamoto plan the surprise attack.

In 1954, he joined the Air Self-Defense Force and rose to become chief of staff.

He was a member of the Diet, Japan's parliament, from 1962 to 1986.

Henri Goetz, 80, Is Dead, French Painter and Inventor

Henri Goetz, 80, a U.S.-born abstract painter and inventor of car-

bonum engraving, died in Nice

after leaping from a fifth-floor hospital window, sources said Monday.

Mr. Goetz, a Harvard graduate who moved to France in 1932 and adopted French nationality, committed suicide Saturday two weeks after surgery.

Before turning to painting, he invented carborundum engraving, in which silicon carbide is used as an abrasive.

He was a friend of Pablo Picasso and Joan Miró as well as the surrealist poets Paul Eluard and André Breton.

During World War II, he was a member of the French Resistance. Afterward, he devoted himself to teaching, founding his own art academy in Paris. In 1983, a museum of his work opened in Villefranche-sur-Mer on the Côte d'Azur. (APF)

Discover gold

Shown by night

ARTS / LEISURE

Marian Anderson, 50 Years After Rebuff

By Eleanor Blau
New York Times Service

DANBURY, Connecticut — Braving threats of thunderstorms, 2,500 concertgoers gathered on the soggy lawns of the Charles Ives Center for the Arts to pay tribute to an artist who became a legend: Marian Anderson.

The concert, featuring the soprano Jessye Norman, the violinist Isaac Stern and Julius Rudel conducting the Ives Symphony Orchestra, helped raise money to establish a Marian Anderson Award for promising singers. It also paid homage to the 57-year-old artist, who was present on the occasion of her singular anniversary.

It has been 50 years since the

contralto, then more celebrated abroad than in her own country, was catapulted to fame after the Daughters of the American Revolution barred her from singing at Constitution Hall, which they owned, because she is black.

Eleanor Roosevelt, then first lady, resigned from the organization and arranged for Anderson to be invited to sing at the Lincoln Memorial, where a throng of 75,000 had to be held back from overwhelming her in its enthusiasm.

With that appearance, Anderson became "the symbol of positive force," the singer Betty Allen told the audience. Allen, executive director of the Harlem School of the

Arts, said, "Scores of my erstwhile and present colleagues have attained their place in the musical world because she led the way."

Dark clouds hovered over the Ives Center and so did fog. The audience could see Norman's vaporized breath as the soprano sang excerpts from Wagner's "Tannhäuser," songs by Richard Strauss and spirituals, standing on a pavilion stage above a willow-timmed pond.

But no rain fell on the event, which had been postponed a day because of the weather. By the time Stern played Mozart's Concerto No. 3 in G and Norman concluded the program with Anderson's signature spiritual, "He's Got the Whole World in His Hands," a nearly full moon peered often between the clouds, and crickets chattered.

"You see, Miss Anderson, the gods smile on you," Stern said before the intermission, looking from the stage toward a front row where the frail, white-haired artist was seated.

Stern read messages of praise for Anderson from Governor William A. O'Neill of Connecticut and President George Bush. Then he left the stage to present two bouquets to her, and Anderson was given a microphone to say a few words.

"I did not write anything down for tonight," she began, apparently referring to a jesting remark that Betty Allen had made on stage about "people whose speeches go on and on forever because they don't have the brains to write them down."

"And I know enough not to speak for Isaac Stern. So I shall

say to you from the bottom of my heart, I thank you. I love you."

And she expressed hope that God, "who knows my every desire," would "do for you what He knows is best."

Anderson, who declined to give interviews, was accompanied by a nurse, relatives and friends. Like many of the concertgoers, she arrived at and left the seating area in one of the motorized carts that the center provides on the 39-acre wooded site.

She was reluctant at first to allow the celebration, her friend June K. Goodman, vice chairwoman of the Ives Center, said. Since retiring from active performing in 1965, Anderson has avoided public attention.

She lives on a former farm in Danbury, in a house designed in the 1940s by her husband, the architect Orpheus Fisher, who died four years ago.

Even after her appearance at the Lincoln Memorial, on April 9, 1939, Anderson — whose voice Arturo Toscanini described as occurring once in 100 years — encountered prejudice. She was often turned away from restaurants and hotels or directed to a service elevator, and opera houses shunned her.

It was not until 1955 that the singer, at 52, appeared at the Metropolitan Opera — engaged by Rudolf Bing to become the first black to sing there.

Later, she sang at the inaugurations of Presidents Dwight D. Eisenhower and John F. Kennedy, and served as an American representative to the United Nations.

On the eve of Sunday night's concert, Allen said she thought Anderson had been propelled into the role of "a kind of activist symbol even though she is not a person who puts herself forward in an egocentric way."

Allen said the situation of black singers in this country was far better now, at least for women in opera, although "there is still some way to go."

The baritone William Warfield, who attended the event, remarked in an interview, "It's really opened up for female singers, in opera in general and at the Met in particular." But black male singers have not fared nearly as well, he said.

When Anderson received a \$10,000 Bok award in Philadelphia in 1942, she used the money — and later added to it — to establish cash scholarships, which continued until 1970. Allen was a winner in the early 1950s, as were Judith Raskin and Shirley Verrett.

Those scholarships focused on beginners. The new awards are intended to help promising American singers whose careers have begun.



Marian Anderson in 1969. She has discouraged more recent photographs.

'Look Back in Anger,' Stronger in Return

By Michael Billington

LONDON — When John Osborne's "Look Back in Anger" was first seen at the Royal Court in 1956, it was treated as if it were an anti-establishment, leftist rallying cry and a tribute to disaffected youth. Watching Judi Dench's extraordinary new production for the Renaissance Theatre Company at the Lyric, Shaftesbury Avenue, one realizes that it is an altogether richer, subtler play: a pain-wracked, Strindbergian study of marriage and a vindication of the notion that suffering validates human existence.

As played by 28-year-old Kenneth Branagh, Osborne's Jimmy Porter emerges less as a ranting soapbox orator than as a vengeful, suffering through the loss of her child. You come out of the theater

of being a fence-sitter; but that is what she is. At the end, she hauntingly suggests that Alison has joined Osborne's elect by achieving suffering through the loss of her child. You come out of the theater

emotionally drained and feeling you have seen a first-rate play rather than simply a famous social document.

IN CONTRAST, you come out of Richard Jones's new production of Georges Feydeau's "A Flea in Her Ear" ("La Puce à l'oreille") at the Old Vic feeling baffled and enraged. Instead of a joyous and liberating French farce one is confronted by a dark, nightmarish, grotesque spectacle in which the dominant influences are (as the program confirms) Kafka, Dostoevsky and Kraft-Ebing.

The essence of Feydeau farce is that real people from a safe, square, bourgeois world are thrust into burlesque situations. But from the start Jones and his American designers, the Brothers Quay, suggest the characters inhabit a milieu of hyperactive craziness. The insurance-chief hero, M. Chandebeise, occupies an office decorated with sinister stripes and dominated by mountainous filigree-cabiolets straight out of "The Trial." And

when all the characters converge in the second act on an ornate Paris hotel (supposedly "carved out of nought") they find themselves in something resembling a dark, dank, gloomy penitentiary.

Everything about this production is fatally misconceived. Instead of descending into madness, the characters here all exist in a state of pumped-up delirium. And instead of being driven into prodigious physical feats by the situation, they behave from the start like a troupe of itinerant East European mime artists. Chandebeise's ophelia, afflicted with a cleft palate, scuttles up and down ladders like a demented squirrel. And the sadistic hotel manager of the second act behaves like a von Stroheim with aspirations toward the ballet.

The only performer to emerge with any credit is Jim Broadbent in the dual role of the impotent Chandebeise and the drunken hotel porter, Poche, who is his double. But when one thinks of the magnificent Feydeau productions that Jacques Charon did for the Comédie Française (and the superb version of this play he directed at the Old Vic in 1966) one can only lament that an epic farce has been turned into a major travesty.

There is slightly better news

from the Greenwich Theatre, where a company from Derby Playhouse is presenting C.P. Taylor's version of another classic French farce, Labiche's "The Piggy Bank" ("La Cagnotte").

Taylor's adaptation slightly sweetens Labiche's original story of a group of dowdy provincials blowing their accumulated savings on a riotous day out in Paris and Susan Todd's production ambles along rather gently, rarely making you feel that the characters are under pressure.

But at least this production has its roots in reality (the Bovary-esque suffocation of a provincial card-playing evening is well caught) and the characters are presented as people rather than mechanical objects. Robert Austin, in particular, is excellent as a coarse farmer who insists on taking a three-month old pig to Paris and who watches with equanimity as it devours restaurant bouquets and jailhouse mating.

Farce acting is about tenacious single-mindedness; and there is something sublime about Austin's belief that, while human beings are animals, pigs are entitled to inherit the earth.

Michael Billington is drama critic of The Guardian.

Banned Soviet Play Completes Circle

By Celestine Bohlen

NEW YORK — This week in New York, Oleg Tabakov is completing a circle begun in Moscow in 1956 when, as a young actor, he had two parts in "My Big Land," a play about a Jewish father and son, written by the poet Alexander Galich.

Those were the days of the Khrushchev spring, but the thaw was apparently not warm enough to allow the Galich play to go on. "My Big Land" was closed before it ever had a chance to open.

Tabakov is a well-known director, founder of a popular Moscow actors' studio and an actor — movie audiences will remember him in the title role of "Olimpio." He recalled in a recent interview how the day two censors — one from the Central Committee of the Communist Party, the other from local party headquarters — came to the Sovremennik theater for the dress rehearsal.

"These two women could not say in so many words that it was forbidden because it had Jewish characters," Tabakov said. "That would have seemed too aggressive an explanation. So instead they said the play was too complicated, too difficult artistically for such a young troupe."

Three decades later, Tabakov, now 54, has had his revenge. He gave the play to his students at the Moscow Arts Theater drama school for their "diploma" production and last spring shepherded it onto the smaller stage of the Russian theater founded by Stanislavsky. It played to sold-out audiences.

Now Tabakov and his 20 students will give six performances of the Galich play at the Public Theatre, running through Friday. The three-act play follows Abraham Schwartz and his son David from the town of Tulchin in the late 1920s through to World War II when the father, with other Jews, is rounded up from the Tulchin ghetto, then under German occupation, and killed.

The son, who had moved to Moscow to study the violin, returns to Tulchin as a lieutenant in the advancing Red Army and realizes that, despite all that has happened, this town will always be home to him.

The theme is struck in the play's opening scene when Wolf, a family friend who had emigrated to Palestine, returns to Tulchin in 1929. He tells a disbelieving young David that what he found was not the Promised Land, but a foreign land.

"What is Zion to me, and what am I to Zion, the bookbinder Wolf from the Russian town of Tulchin?" Wolf asks.

In a cruel twist typical of the times, Wolf is arrested in 1937 as Stalin's purges begin.

For Tabakov, the play's themes are universal. "I think what is very important in this play is not any political double meaning, but the discovery of the meaning of homeland," he said. "It is not about whether or not to emigrate. That is not what the play is about. It is the old story of the return of the prodigal son. I like to think of it as polyphonic — a drama with many voices, many themes and many meanings."

For Tabakov, the reward in staging Galich's play lies in its significance to a new generation — not coincidentally, the same idea that 30 years ago set off alarms in the ears of the two censors.

To me, the importance of the play goes beyond its nostalgic char-

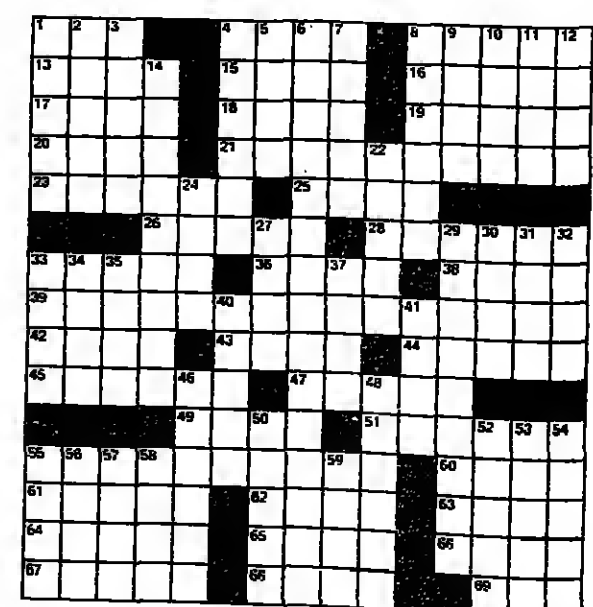
acter — the mere fact that it was once forbidden and is now allowed," he said.

"My students — the oldest is 25 — see it as a contemporary commentary on their own lives. They are acting about themselves, not about people who lived in some ancient, historic time shrouded in mist. After 30 years, I wanted to show it to their generation, a generation that looks on those years as something that happened on Mars."

Galich, whose real name was Ginzburg, was expelled from the Soviet Writers Union in 1971 because of the biting satire that laced his work. He left the Soviet Union in the mid-1970s and died in Paris in 1977.

ACROSS

- 1 Salt
- 4 Additionally
- 8 Out-of-date
- 13 — Fjord at Iceland
- 15 Arkharas
- 16 Wahine hi
- 17 "La Bohème" role
- 18 Bonifaces' domains
- 19 Fence pickets
- 20 Old horse
- 21 Happy tune, by Harry Woods 1927
- 22 Classy
- 23 Naro's route
- 24 Get wind of
- 26 Derisive people
- 28 Bewildered
- 36 Harbach of Tin Pan Alley
- 38 Zone
- 39 Sad song, by Walter Donaldson 1930
- 42 Dill of old
- 43 Voice disapproval
- 44 Luges
- 45 Nap
- 47 Leave off
- 49 XIV + XXV
- 51 Play hot with toy trains
- 55 Sweet song, by Webster and Fain 1953
- 60 — lime (pronounced)
- 61 Eva or Juan
- 62 Runs a tab
- 63 Bear down on
- 64 Sneak off romantically
- 65 Pique
- 66 Christie or Karenina
- 67 Diamond, pearl etc
- 68 Medieval domestic
- 69 Louganis rating



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Solution to Previous Puzzle

AFAR LOPES TEIS
ROBE ARISE ELLA
GREYAGUSTAFSSON
OTT SORA ROTATE
SHOO JORY
SOLON BABE DAP
ANWAR SEMI GEVA
CONCEITAINGOLIA
TREK ROSE HOVER
AER TART RESEW
TONE HATE
ALIENS SENT TIL
SOPHIA SCICOLONE
HOSE CRASH ERGO
EPEE TONTO TEEN

DOWN

- 1 — Bal
- 2 Buzzarders
- 3 Leafstalk angles
- 4 Neutral branch
- 5 — Leksape Indians
- 6 Melancholic song, by Sonnet 1973
- 7 Caucasus native
- 8 Ancient writings
- 9 Sigher's word
- 10 Anas
- 11 Storage place
- 12 Vacationer's delight
- 14 Verb stems
- 22 Gird
- 24 Substantial
- 27 Poet laureate 1715-18
- 29 "Les Sylphides" figure
- 30 N.Y. canal
- 31 Claret insult
- 32 Smart talk
- 33 Contrived pedantic
- 34 Antler part
- 35 Action
- 37 Moped part
- 40 Boal
- 41 Actual being
- 46 Tautness in public
- 48 — Fictiles
- 50 Finish a run on Broadway
- 52 About
- 53 Empty-headed
- 54 Rial's cousin
- 55 Small bamacuda
- 56 Evasive
- 57 Rural piyoli
- 58 Hitchcock thriller
- 59 One carrier

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Al Dine by Wingo Lee. One in a series of menu cover photographs specially commissioned by Cathay Pacific for its Club des Chefs des Chefs programme.

MEDIA MARKETS

Pan-European Stations Are Shifting Strategies

By RANDALL ROTHENBERG

NEW YORK — The contest for the Pan-European television viewer is turning into a battle between Habel and the British way — between a cable-television service sending signals in many tongues across the Continent and a satellite broadcaster that thinks English will be the European market's chosen language.

After initial projections that it would blanket Europe with programming in several languages, Rupert Murdoch's Sky Television, a service that broadcasts directly to homes with small satellite dishes, has scaled back considerably.

European advertising agency executives say that after losses that may total \$250 million in this, its first year of operation, Sky Television is developing an English-language service for British viewers and audiences on the Continent.

Meanwhile, Super Channel, a cable service that suffered severe financial setbacks in its first two years with an English-only strategy, has a new majority owner that is forging ahead with plans to offer native-language programming across Europe.

The shifting strategies of these two Pan-European television services reveal the uncertainty with which media companies and advertisers are approaching the European market.

The elimination of trade and tariff barriers in Western Europe in 1992 will create a putative market of 320 million consumers, but advertisers and those who serve them are still unsure whether they can be sold the same products in similar ways everywhere, or whether consumers must be approached traditionally, on a national basis.

The dichotomy is clearly evident in the way Pan-European television is developing.

"There are two ways of looking at Pan-European television: one is thematic and the other is by language," said Derek W. Bowden, the media director of Saatchi & Saatchi Advertising International in London. "Murdoch is adopting the thematic approach, while Super Channel is opting for the other side of the coin."

ALTHOUGH SKY TELEVISION is developing a multi-language sports service, the company believes most of its news, movies and general entertainment programming can be in English and still appeal to audiences throughout Europe, agency executives say.

But "we are increasingly regarding Sky Television as primarily British channels," said Judy M. Thomas, the international media director of D'Arcy Masius Benton & Bowles Worldwide's media group.

Indeed, to increase its availability in Britain, Sky Television entered into an agreement in May with Maxwell Cable Television, Britain's largest cable service, through which Maxwell will deliver Sky Television's programs on cable.

"If there is a Pan-European market," Ms. Thomas added, "it's left in the hands of Super Channel and the specialist channels like Cable News Network and MTV."

Super Channel, which was founded by a consortium of Britain's Independent Television and the Virgin Group and began broadcasting in January 1987, nearly went out of business last year. Its initial marketing campaign — "the best of British programming" — was termed "arrogant" by Mr. Bowden of Saatchi and drew few viewers and advertisers. By the end of 1988, its losses totaled nearly \$50 million (\$79.1 million).

Late last year, 55 percent of Super Channel was acquired by the Marucci Group, an Italian company that owns several Italian television networks as well as hotel and pharmaceutical

See TV, Page 12

Ashton Sets Big Job Cuts

Software Concern Sees Wider Loss

Reuters

TORRANCE, California — Ashton-Tate Co., the U.S. computer software concern, said Tuesday it would make significant cuts in its work force, and that as a result it will report a wider third-quarter operating loss.

In the second quarter Ashton-Tate reported a loss of \$19.5 million, or 75 cents per share.

Edward M. Esber Jr., Ashton-Tate's chairman, said the company expects to return to profitability in the fourth quarter after it completes a roughly 15 percent across-the-board staff reduction. The company has 1,700 employees.

Mr. Esber said the cutbacks could delay or cancel introduction of some products, but he declined to provide details. He said there were no plans to close plants or facilities.

"Certainly there are some projects that will be either terminated or put off into the future," he said. But he added that the company expects to keep its estimated 50 percent share of the personal computer database-management software market.

The Ashton-Tate chairman said revenue would need to reach the \$60 million to \$70 million range in the fourth quarter for the company to return to profitability and that the company expected shipments of its current dBase IV software to decline as availability approaches that of new releases.

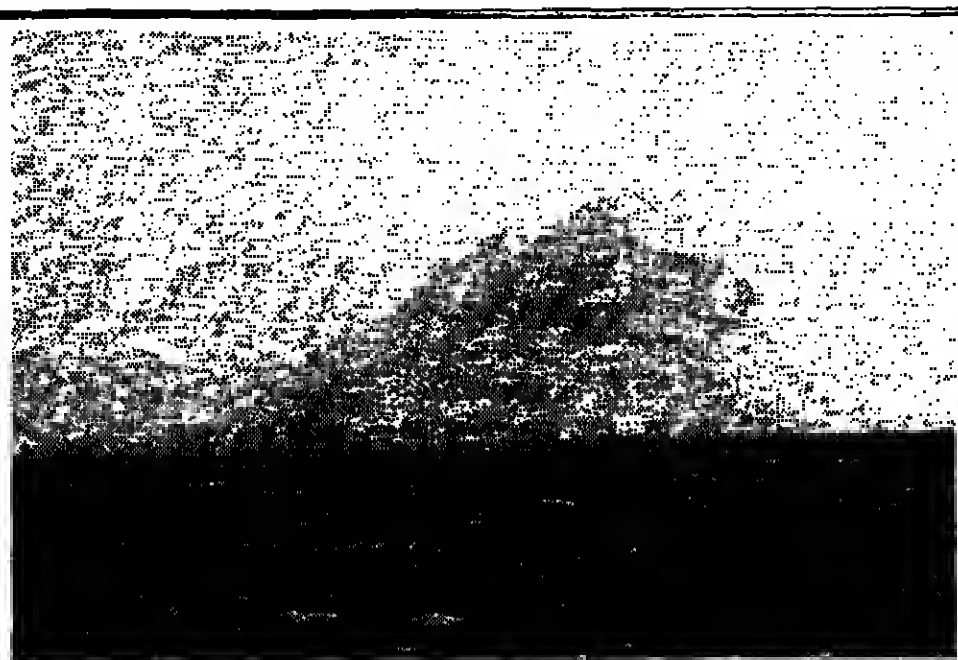
He also noted some industry-wide flattening out of software demand. "We do not anticipate after two quarters of losses that the company will immediately snap back to the historical profit margins," he said.

The company said it would not ship the product until after the third quarter because of extensive testing to overcome shortcomings of its initial release.

Analysts generally applauded the company's move and said it should not have any strong adverse effect on its share value, traders and analysts said.

"Most people have been waiting for something like this and this should be positive," said Bahar Gidwani, an analyst at Kidder Peabody & Co.

Ashton-Tate shares slipped 75 cents to \$12.75 in over-the-counter trading Tuesday after the company's announcement. (Reuters, AP)



Gibraltar's main selling point is as a British-protected financial haven on Europe's southern tip.

Gibraltar: Mini-Hong Kong?

U.K. Colony Seeking to Be a World Financial Center

By Alan Riding

New York Times Service

GIBRALTAR — After 1992, the only patrolled border inside the European Community could well be the half-mile stretch that divides Gibraltar from Spain. When it comes to this colony's dream of becoming an offshore international financial center, it may be all for the good.

In this case at least, the Rock's strength is its oddity. With only 2.1 square miles (5.5 square kilometers) of territory and 30,000 inhabitants, Gibraltar is a British possession that is claimed by Spain. But it also is a recognized part of the European Community, although it is not an individual member.

When Britain joined the community in 1973, the colony was not required to make tax contributions to the community or even to follow its customs regulations. And in exchange for arranging for its own economic survival, it was even allowed to write its own banking laws.

Gibraltar's main selling point today is as a financial haven, protected by British troops, on the southern tip of Europe.

And, struggling to cast off its image as a quaint monument to Britain's imperial past, it now aspires to become a mini-Hong Kong of Europe.

The number of banks represented here has tripled, to 25, during the past four years, while their total assets rose by 70 percent in 1988 alone, to close to \$2 billion. But even compared with the offshore banking centers in the British Channel Islands, Gibraltar is still tiny.

Chief Minister Joe Bossano is convinced nonetheless that growth as a financial center is the right course to follow.

"We're actively pursuing business as a government," the economist said in an interview just 24

See ROCK, Page 9

Bush Endorses Criticism of Fed Rate Policies

Compiled by Our Staff From Dispatches

WASHINGTON — President George Bush said Tuesday he agreed with recent comments by the White House budget director, Richard G. Darman, criticizing the Federal Reserve Board for not lowering U.S. interest rates.

Mr. Darman said Sunday that the Fed, the U.S. central bank, should ease monetary policy and let interest rates fall.

"I thought his comments were very balanced," Mr. Bush said at a White House news conference. "I can feel very comfortable with his saying forth and saying that."

Short-term U.S. interest rates edged higher on Tuesday after the Fed refrained from adding liquidity to the money markets. The key federal funds rate edged up to 9 3/16 percent from Monday's average of 9 1/16 percent.

U.S. bond prices, which had been higher, weakened after the lack of Fed action, with the yield on the Treasury's bellwether 30-year bond edging up slightly to 8.22 percent.

Mr. Darman suggested on Sunday that the Fed has been too restrictive in its management of interest rates.

"I'm fearful that they may have been a little bit too concerned that things have been going well and that they may have been a little bit too tight," Mr. Darman said.

"If we do have a recession I think it will be because they erred on the side of caution."

Mr. Darman's remarks about the Fed were seen as being exceptionally direct.

The Federal Reserve pushed rates up by a sharp three percentage points beginning in March 1988 to curb inflationary pressures in the economy, but the central bank has since eased credit on signs that growth has slowed down.

In June, convinced that inflation was no longer a pressing danger, the Fed reversed its credit tightening and allowed short-term rates to fall by about three-quarters of a point.

Analysts said the Fed is unlikely to ease credit soon and that Mr. Darman's comments might make the central bank less inclined to

lower rates for fear of appearing to bow to political pressure. They said this would cause the central bank to lose credibility with financial markets.

"So long as the economy is OK, there is no reason for the Fed to ease any more," said Allen Sinai, chief economist of The Boston Co.

Economists were also surprised by the timing of Mr. Darman's criticism, given recent economic statistics such as a drop in the jobless rate in August that suggest the economy is not as sluggish as previously feared.

"There is virtually no chance that we will have a recession this year, so why stir up this fuss and get financial markets unsettled when you don't have to?" asked Michael Evans, head of a Washington forecasting company.

(Reuters, AP)

Arco Develops Low-Emission Unleaded Gas

Compiled by Our Staff From Dispatches

WASHINGTON — Atlantic Richfield Co. said Tuesday it will introduce a low-polluting, unleaded gasoline in Southern California to replace its leaded gas on Sept. 1.

The new gasoline, which contains a methanol and petroleum-based anti-knock compound called MTBE, is designed for cars that use leaded gasoline only. One air-quality control official said it would reduce emissions from older vehicles by about 20 percent.

The technology also will be made available to other gasoline companies so it can be sold nationwide, the Atlantic Richfield spokesman said.

"It could mean a significant, but not large, emission reduction," said Phil Loring, an emissions control official with the Environmental Protection Agency.

(Reuters, UPI)

Currency Rates

Cross Rates	Aug. 15
Amsterdam	1.7145
Bremen	1.7145
Frankfurt	1.7145
London	1.7145
Paris	1.7145
Porto	1.7145
Tokyo	1.7145
Zurich	1.7145
1 ECU	1.7145
1 DM	1.7145

Closures in London, Tokyo and Zurich. Prices in other centers. New York close rates.

Commercial banks: To buy one dollar; To buy one dollar; To buy one dollar; To buy one dollar.

Other Dollar Values

Currency	Per \$	Per \$	Per \$	Per \$	Per \$
Australian	1.7145	1.7145	1.7145	1.7145	1.7145
Belgian franc	1.7145	1.7145	1.7145	1.7145	1.7145
British pound	1.7145	1.7145	1.7145	1.7145	1.7145
Canadian dollar	1.7145	1.7145	1.7145	1.7145	1.7145
French franc	1.7145	1.7145	1.7145	1.7145	1.7145
German mark	1.7145	1.7145	1.7145	1.7145	1.7145
Italian lira	1.7145	1.7145	1.7145	1.7145	1.7145
Japanese yen	1.7145	1.7145	1.7145	1.7145	1.7145
Spanish peseta	1.7145	1.7145	1.7145	1.7145	1.7145
Swiss franc	1.7145	1.7145	1.7145	1.7145	1.7145
U.S. dollar	1.7145	1.7145	1.7145	1.7145	1.7145

New York rates unless marked "local rates."

Forward Rates

Currency	30-day	60-day	90-day	180-day	360-day
British pound	1.7145	1.7145	1.7145	1.7145	1.7145
French franc	1.7145	1.7145	1.7145	1.7145	1.7145
German mark	1.7145	1.7145	1.7145	1.7145	1.7145
Italian lira	1.7145	1.7145	1.7145	1.7145	1.7145
Japanese yen	1.7145	1.7145	1.7145	1.7145	1.7145
Spanish peseta	1.7145	1.7145	1.7145	1.7145	1.7145
Swiss franc	1.7145	1.7145	1.7145	1.7145	1.7145
U.S. dollar	1.7145	1.7145	1.7145	1.7145	1.7145

Sources: Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich); Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich).

Interest Rates

Interest Rates	Aug. 15
3-month	1.7145
6-month	1.7145
9-month	1.7145
12-month	1.7145
18-month	1.7145
24-month	1.7145
36-month	1.7145
48-month	1.7145
60-month	1.7145
72-month	1.7145
84-month	1.7145
96-month	1.7145
108-month	1.7145
120-month	1.7145

Sources: Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich); Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich).

Key Money Rates

Key Money Rates	Aug. 15
3-month	1.7145
6-month	1.7145
9-month	1.7145
12-month	1.7145
18-month	1.7145
24-month	1.7145
36-month	1.7145
48-month	1.7145
60-month	1.7145
72-month	1.7145
84-month	1.7145
96-month	1.7145
108-month	1.7145
120-month	1.7145

Sources: Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich); Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich).

Integrated Plans to Sell Its Key Units

The Associated Press

NEW YORK — The founding investment firm Integrated Resources Inc. put its core financial services businesses up for sale Tuesday as part of a new plan to refinance \$1.75 billion in outstanding debt.

Integrated, which in June halted payments on the short-term portion of its debt, also projected a \$600 million loss for the second quarter and said that sales of its investment products have declined and withdrawals have increased.

In a statement, Integrated said it was trying to sell key subsidiaries, including its two life insurance companies, its investment products distributor and its asset management business, to prevent the spread of its financial woes.

Integrated said that it valued the financial services companies at \$450 million to \$525 million and that sale proceeds would be used to meet obligations to senior debt holders. It said the firm's total assets were worth \$1.17 billion to \$1.25 billion, compared with \$1.75 billion in total debt.

The latest restructuring replaces one announced in late June that included \$300 million in financing from its longtime adviser, Drexel Burnham Lambert Inc.

Integrated officials met with bondholders Tuesday to discuss the latest plan, which emerged after the firm decided that it could not support the debt level in the first refinancing.

"We recognized that if we don't do something to take the insurance companies and some of the other companies away from the problems of the parent company, we were going to have more deteriorations," said Arthur Goldberg, co-chief executive of Integrated.

Integrated's June default on \$955 million in short-term commercial paper capped a steady decline for the once high-flying real estate and insurance concern, whose stock has nosedived from as much as \$40 a share in 1986 and \$16 a share in late May.

In trading Tuesday on the New York Stock Exchange, Integrated Resources closed down 62.5 cents, at \$1.125 a share.

After the spinoff of subsidiaries, Integrated's main businesses would be management of existing public and private limited partnerships and real estate investment trusts.

Sources: Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich); Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich).

Gold

Gold	Aug. 15
1 ounce	1.7145
2 ounces	1.7145
3 ounces	1.7145
4 ounces	1.7145
5 ounces	1.7145
6 ounces	1.7145
7 ounces	1.7145
8 ounces	1.7145
9 ounces	1.7145
10 ounces	1.7145

Sources: Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich); Reuters Bank (Frankfurt); Reuters Bank (London); Reuters Bank (New York); Reuters Bank (Paris); Reuters Bank (Tokyo); Reuters Bank (Zurich).



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Richard Breeden: Bush Aide Expected to Bring Washington Know-How to SEC

By David A. Vise

WASHINGTON — Richard C. Breeden, President George Bush's nominee to be the new chairman of the Securities and Exchange Commission, is known as the top White House financial policy adviser who played a central role in guiding legislation to bail out the U.S. savings and loan industry.

Mr. Breeden, 39, would become one of the youngest chairmen in SEC history if confirmed by the Senate this fall, as expected by congressional sources.

At the SEC, Mr. Breeden, a former

banking lawyer and longtime adviser to Mr. Bush, will focus heavily on boosting the international competitiveness of U.S. securities markets, improving coordination of securities regulations domestically and globally, and continuing the agency's aggressive pursuit of illicit stock market activities, administration sources predicted.

"I think he is pragmatic and I don't think he is an ideologue," said Ken McLean, a consultant and the former staff director of the Senate Banking Committee. "His basic instinct is to rely on market forces, but I wouldn't put him

in the extreme 'free market school of thought.' While Mr. Breeden has a closer relationship with the White House and a better understanding of how Washington works than any SEC chairman in recent memory, he is not regarded as an expert on securities law matters, which several politicians and attorneys said was his biggest handicap.

"Mr. Breeden is highly intelligent and did fine work on the S&L reform package and in other governmental assignments, yet he brings limited direct market experience to this critical assignment

and that is a matter of some concern when the SEC faces a time of epic challenge," said Donald W. Riegle Jr., Democrat of Michigan, and chairman of the Senate Banking Committee. But congressional sources said they anticipated no major problem with his confirmation. "It is kind of a funny time to put one of your good political friends in a senior position for on-the-job training," said John Olson, a partner with the law firm of Gibson, Dunn & Crutcher.

"The thing that is a big question mark for the SEC is whether somebody who has no known depth of experience in the

securities field is going to be able to be credible with the SEC's constituencies," Mr. Olson said. "He is going to have a powerful amount of homework to do."

Mr. Breeden is better known in Washington than on Wall Street, where reaction to his appointment was muted. "I don't know enough to be concerned, I don't know enough to be excited," said Hardwick Simmons, an executive at Shearson Lehman Hutton Inc. and chairman of the Securities Industry Association.

"I think that a key to being an effective chairman is knowing how to get

things done in Washington," said John S.R. Shad, former SEC chairman and now chairman of Drexel Burnham Lambert Inc.

From 1982 to 1985, Mr. Breeden served as staff director of a Bush task force on financial regulation, which brought him in contact with senior officials from all the major financial regulatory agencies.

After working on the Bush presidential campaign, Mr. Breeden moved into the west wing of the White House, where he has focused his efforts on the S&L bailout.



Richard C. Breeden

U.S. Chain of Pawnshops Operating as 'Little Man's Bank'

By N.R. Kleinfield

NASHVILLE, Tennessee — The blazing-hot heat was already rippling up from the pavement outside, as the cars began to swing into the pawnshop's lot and pieces of households emerged from trunks and back seats.

A big-framed man with a drooping mustache and a gold chain. He had a phone bill screaming to be paid. Dwight Nash, the manager of Big State Pawn & Bargain Center, hiked up one eyebrow. He plucked the chain on a small electronic scale: 14 pennyweight. He applied a gold tester to it. It was the real stuff. Then he punched some buttons on a calculator. "I can give you \$45," he said.

The man nodded. "Let's do it." The loan was good for 30 days, followed by a 60-day grace period during which the chain could not be sold. The interest rate, fixed by Tennessee law, would be 20 percent a month.

The man pocketed two twenties and a five and shuffled out. "OK," he told his daughter. "We'll be talking on the phone another month."

Mr. Nash gave a wink. "Not what you would expect from a pawnshop, is it?" he asked. "It's not dings. I'm not sitting here with a green eyeshade on my head and a sour look on my face. What I'm doing is running the little man's bank."

The little man's bank is no small operation. Big State is part of the network of 113 pawnshops owned by Cash America Investments Inc., by far the country's biggest pawnshop chain and the first pawnshop to become a public company.

Set on Gallatin Pike Road, a cluttered commercial strip in a working-class area here, Big State is always busy in the morning. It gets busy again around lunchtime and there are lines at 4, an hour before closing.

For its customers, it is a way to pay the latest utility bill, a doctor bill for the children or for a weekend binge. The place is useful for individuals whose savings accounts are their back pockets.

Pawnshops are a mysterious and ancient business, repositories of busted dreams and financiers of new hopes.

There are something like 10,000



Bryan Durden of Cash America sets up a loan for Eugene Rhodes, who is pawning his rifle.

pawnshops in the United States, and though pawnbrokers often feel they are unfairly entwined in a dark world of slippery characters, the climate for them is getting more appealing as banks have discouraged small borrowers and as states have passed laws allowing pawnshops to charge tantalizing (some would say usurious) interest rates.

Jack Daugherty opened a pawnshop in Irving, Texas, in 1971 after a hunting companion got him intrigued with the business.

Then he got unlucky and lost all his money looking for oil. He returned to the pawn business and founded Cash America in 1983 with a single store.

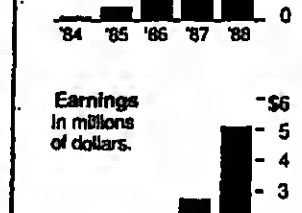
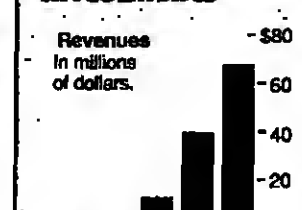
By early 1987, it had 36 shops, most of them existing ones that were bought, and by the end of last year there were 101.

He knows he is onto something, for his chain's revenues climbed 71 percent last year to \$67.5 million and profits advanced 81 percent to \$5.1 million.

Mr. Daugherty figures that upward of 30 percent of the adult population needs him because banks do not want them.

"I could take my customers and put them on a bus and drive them down to a bank and the bank would laugh at them," he said.

The Good Fortune At Cash America Investments



Source: Company reports

"That's why they're my customers."

The network has grown by applying organization and chain effi-

ciencies to a highly fragmented industry. It is aggressive in its lending practices — giving more for items than many independent and accepting virtually anything it doesn't have to feed or water.

It has a construction crew that upgrades newly acquired shops. A computer tracks inventories, and items that are not selling in one pawnshop are tracked to others.

Three company-owned refurbishing centers clean and repair jewelry to enhance their value. The finer specimens go to a full-fledged jewelry store in Fort Worth with private sitting rooms.

The company recently began experimenting in Texas with stores that only loan money, which can thus be smaller and afford customers more privacy.

Most of Cash America's pawnshops are in Texas (the corporate headquarters is in Fort Worth), but the chain is represented in Louisiana, Oklahoma and Tennessee and it someday hopes to be in every state.

A long rack of guns hangs along one wall at Big State, with a display case of cameras and radios in front of it. Along the other wall is a jewelry counter. There are several sets of shelves with VCRs, TVs, tools, a blood-pressure checker,

tennis rackets, an inflatable boat, stereos. In one corner is a swivel of musical instruments.

Everything visible is bad debt, pawned items never redeemed. A far greater cornucopia of merchandise inhabits the back storage areas — goods supporting current loans — including a motorcycle helmet, a beer dispenser, a dozen vacuums, a rack of fur coats, a wedding dress, a Go Kart, about 400 guns and maybe 100 guitars.

The shop likes it when there are items crammed in storage and not many on display. The best money is made off loans.

Cash America figures its average store earns 66 percent of its gross profits from loans and the remainder from the sale of merchandise. (Gross profits are 25 to 30 percent for a typical store.)

Many independents believe in lending as little as possible and making money by selling goods at high prices.

Cash America works the opposite. As Mr. Daugherty puts it: "The perfect situation is to loan to 10 people and have all 10 of them

come back for it. See, we can loan money on something hundreds of times. We can only sell it once."

Employees are taught to venerate customers. "There was a real good customer base here," Mr. Nash said.

"We've built it up by treating people like they're human beings. Most people who come here, they're already mad that they have to be here. If you comfort them and talk to them, you calm them down. You have to use some psychology in this business."

Mr. Nash figures he has some 4,000 loans outstanding, worth about \$250,000, compared with 2,800 when Cash America bought the shop four months ago.

The average loan is about \$75, and roughly 70 percent of people repay their debt, usually within a month.

Mr. Nash has lent as little as \$3 on a small piggy bank and as much as \$10,000 on jewelry. Other shops have lent on a Rolls-Royce, a Super Bowl ring and a hot-air balloon. The balloon was not redeemed but the store managed to sell it.

ROCK: Gibraltar as Finance Haven

(Continued from page 1)

blockade of Gibraltar in retaliation for Britain's refusal to hand over the colony.

Even Spanish banks — Banesto and Banco Central among them — then scrambled to do business in an economy that suddenly sprang to life.

"We achieved 9 percent growth last year and expect 12 percent growth this year," Mr. Bossano said. "But the financial center grew even faster — by 23 percent in 1988 if you measure it by the number of people employed. I see room for that to go on for a number of years."

Along Gibraltar's narrow streets, the signs of change already are evident with the appearance of such names as Barclays Bank, Algemeine Bank, Hambros Bank, Bank of Credit and Commerce and Banque Indosuez.

An ambitious land reclamation program beside the Rock also aims to provide more room for the comfortable modern quarters favored by offshore banks.

The arrival of foreign banks has increased job opportunities for local residents.

"Already some 900 people work in different financial sectors, but there is also a spinoff effect because there is more work for lawyers, accountants and insurance companies," said Albert Langston, local manager of British Lloyds Bank.

Gibraltar's very attraction as a British-controlled enclave means that it remains vulnerable to another border blockade by Spain. But with Britain and Spain now on good terms as partners in the European Community, a new blockade seems unlikely.

Sony in \$59 Million Bid For Materials Research

NEW YORK — Sony Corp. said Tuesday it had agreed to acquire Materials Research Corp., a maker of coating and etching equipment for electronics applications, for \$14 a share, valuing the company at \$58.8 million.

Materials Research has annual sales of \$130 million. Its stock traded Tuesday at \$13.75 a share, up \$3.50.

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(Continued From Back Page)			
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Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

72 Month 515
 High Low Stock Div Yld PE 100s High Low 4 P.M. Chg

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AYSE

Expand
in the
financial

(Continued on next page)

NYSE Highs-Lows

NEW HIGHS 43			
Armada Ca	AletoPac	ChadElec	Bondco
ChyPwr 7761	CadorFair	OlderBldg	Chad Labst
ClfHyb66	CrytRad	Dovtashid	DIGenlo
of Kanab54	FasteCont	GOPw 772r	Gracoca
adi Lowe	KCSauInd	Katliwed	LIL Ca
PSVCR 3601	WacyD8	Plains Dns	Pracigomb
VP5INH 325P	VP5INH 281P	VP5INH 325P	VP5INH 325P
ShawInd	VP5INH 345P	PSEG 808r	SCOR US
Thom's	Sony Car	StoneWeb	TCF Fin
WormComm	UDC Devi	Umi Illuv	Vathi
	Wash W6P	WeninaRy	

AMEX Highs-Lows

NEW HIGHS 17			
AmTr-crc prn	AmTr-dow us	AmTr-dd prn	BerlinBrun
Black Mils	GrahamCos	KelleyCos	Madrach
Black Mils	Ocklen	50% 7250	Sells Corp
of Sotheby &	TempleEmg	UnFoodA	UnFoodS
WestcoFin			

NEW LOWS 77			
AmTechCor	Bovayous	BlCCo	CIM HY1d
Dynalene	Karnowski	AmMicroC n	NatRlyR
Proprietary	SandwichC	Alcoa	

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BUSINESS ROUND

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WEEK

Expansion

Hoechst's Profit Increase Disappoints Market

Compiled by Our Staff From Dispatches
FRANKFURT — Hoechst AG, the big West German chemical company, reported Tuesday that its group pretax profit rose 8.8 percent in the first half of the year, but analysts called the results very disappointing.

"This is catastrophic," said Hans Peter Wodnick, a Frankfurt-based equity analyst at James Capel & Co. "We expected profit margins to come under pressure, but this is more severe than we expected."

Analysts had generally expected a 15 percent to 20 percent rise in profit. Hoechst shares slumped 4.30 DM to 298.80 DM following the report.

Hoechst said profit rose to 2.11 billion Deutsche marks (\$1.08 billion) in the first half of 1989 from 1.94 billion a year earlier. In the first quarter, Hoechst's group pretax profit rose 23 percent to 1.01 billion DM. Profit actually slipped to 1.10 billion DM in the second quarter from 1.12 billion in the same 1988 period.

But Hoechst, one of the giants of the West German chemical industry along with BASF AG and Bayer AG, called the result good and said

it saw the trend continuing in the third quarter.

"Order inflow remained positive, aside from normal seasonal fluctuations," the company said in a statement. "For the third quarter we expect a continuation of the

good business developments."

The company said group revenue rose by 14.9 percent, to 22.94 billion DM, in the six-month period from 19.96 billion DM.

Hoechst said demand for chemicals products had remained good,

but that rising raw materials costs, pushed up by higher oil prices, had not been fully passed on to the consumer.

Analysts noted that first-half sales were boosted by Hoechst's consolidation of its Sigr unit — a move which accounted for about 3 percent of total growth. They said over half of the sales growth came from exchange rate swings and price rises, with the rest coming from greater volume.

Hoechst said group investment in fixed assets rose to 1.34 billion DM in the first half from 1.23 billion last year, with total investment expected to rise to 3 billion DM this year.

The company said chemicals and dyes continued to expand strongly, with group sales rising to 5.89 billion DM in the first half from 5.24 billion in the same 1988 period.

Plants continued to work at virtually full capacity. In fibers and foils, sales rose to 4.53 billion DM from 3.79 billion DM.

In polymers, mounting competition took its toll, with sales of polypropylene holding relatively unchanged, Hoechst said.

(Reuters, AFP)

Sea Containers Offer Raised

Reuters

NEW YORK — Stena Holding AG of Sweden and the British company Tipbuck PLC said Tuesday that they have increased the tender offer for Sea Containers Ltd. from \$50 per common share to \$63 and from \$80.50 per convertible preferred share to \$101.43.

Shares in Sea Containers opened at \$66.625 Tuesday in trading on the New York Stock Exchange, up \$3.875, indicating that traders expect an even higher bid for the company.

Sea Containers, a shipping concern based in Bermuda that also operates ferry services to Britain, has said that it will not sell out to Temple Holdings Ltd., the com-

pany formed by Stena and Tipbuck to pursue the bid.

James B. Sherwood, the London-based president of Sea Containers, has said that the company would sell off assets, including its shipping containers, ferry routes, cargo ships and a stake in a hotel chain, and distribute the proceeds to shareholders to defend against the bid.

Sherwood has said that he valued the company at between \$70 and \$100 per common share.

In its announcement Tuesday, Temple Holdings also raised the offering price for Sea Containers' convertible preferred shares to \$101.43 each from \$80.50, and said it was extending its offer until Aug. 28.

Rebels' Attacks on Mine Hurt Bougainville's Profit

Compiled by Our Staff From Dispatches

MELBOURNE, Australia — Bougainville Copper Ltd. reported Tuesday a 43.2 percent fall in net profit, to 42.69 million Australian dollars (\$32.4 million) for the latest half year, and attributed the drop to rebel attacks that have closed its Papua New Guinea mine.

The company said that net profit for the six months ended June 30 was down from 75.22 million dollars in the year-earlier period. "Operations have been affected during the first half of 1989 by attacks by disaffected landowners," the company said, adding that copper concentrate output was down to 222,464 tons from 268,110 tons for the first six months of 1988. Bougainville said 49 days of production had been lost during the half-year, with no production at all since attacks on company personnel and property closed the Panguna mine on May 15.

Since then notices of force majeure covering specific shipments had been issued to all customers with which Bougainville had contractual commitments.

The statement said that although security forces on the island had made progress in bringing law and order problems under control, the company would "exercise extreme caution before taking a decision to recommence production."

The company is 54 percent owned by Australia's CRA Ltd., 19.1 percent by the government of Papua New Guinea, with the remainder held by private shareholders.

(AFP, Reuters)

De Beers Says Net Profit Increased 45% in First Half

Reuters

JOHANNESBURG — De Beers Consolidated Mines Ltd., the South African company that controls about 80 percent of the world's diamonds, said its net profit rose to 1.83 billion rand (\$673 million) in the first half of 1989, up 45 percent on the 1988 figure.

It said the results reflected buoyant demand for diamonds and the recent weakness of the South African rand against the U.S. dollar, the currency in which diamond sales are transacted.

Net profit, including earnings from associate companies, rose from 1.26 billion rand in the first six months of last year.

This translated to earnings per share of 4.81 rand, up from 3.31 rand last year. The company declared an interim dividend of 62.5 cents a share, compared with 45 cents in 1988.

De Beers controls worldwide marketing and sales of diamonds through its London-based Central Selling Organisation.

Last month, De Beers reported that worldwide sales of uncut diamonds by the organization rose 5 percent, to \$2.32 billion, in the first half of 1989. But the company warned that growth in sales was slowing after a boom in the diamond market over the past few years.

De Beers said the stronger dollar on world markets, higher interest rates in the major economies and a 15.5 percent price increase for uncut diamonds announced in March all had played a role in slower sales growth.

"After four years of consistently strong growth, 1989 may prove to be a year of consolidation for the CSO with fewer diamonds moving out to the cutting centers and on to the retailers," Julian Ogilvie Thompson, the De Beers chairman, said in the company's annual report in May.

Allianz Income Rises 8.8% in First Half of '89

Reuters

STUTTGART — Allianz Lebensversicherungs AG, the West German insurance giant, said Tuesday that its premium income, which approximates revenue, rose 8.8 percent. The figure rose to 3.8 billion Deutsche marks (\$1.96 billion) in the first half of 1989, from 3.5 billion DM in the same period last year.

An interim report also said the value of new business rose 14.6 percent to 7.2 billion DM in the first six months of 1989 from 6.3 billion DM in the same period last year.

NOTICE OF REDEMPTION

To the Holders of

Ford Motor Credit Company

12 1/4% Notes due October 1, 1991

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Fiscal Agency Agreement dated as of October 1, 1984 between Ford Motor Credit Company (the "Company") and The Chase Manhattan Bank, N.A. (the "Fiscal and Paying Agent") all of the Company's 12 1/4% Notes due October 1, 1991 (the "Notes") will be redeemed on October 1, 1989 (the "Redemption Date") at a redemption price of 107% of the principal amount thereof (the "Redemption Price") together with accrued interest to the Redemption Date.

The Redemption Price will become due and payable upon each Note on the Redemption Date and on and after such Redemption Date interest on the Notes will cease to accrue. Payment of the Redemption Price will be made upon presentation and surrender of the Notes, together with all appurtenant coupons maturing subsequent to the Redemption Date, at any of the following paying agencies:

The Chase Manhattan Bank (National Association)
London Branch
Woodgate House, Coleman Street
London EC2P 2AB, England
Main Office
5152 Avenue des Arts
B-1040 Brussels, Belgium
Chase Manhattan Bank
Luxembourg S.A.
5, Rue Principale
L-2208 Luxembourg-Grand
Luxembourg

Coupons which shall mature on, or shall have matured prior to, the Redemption Date should be detached, presented and surrendered for payment in the usual manner.

FORD MOTOR CREDIT COMPANY
By: THE CHASE MANHATTAN BANK
(National Association)
at Fiscal and Paying Agent

Dated August 16, 1989

Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

17 Month	High	Low	Stock	Div	Yld	PE	52 Week High	52 Week Low	Low AP	Change
14%	8%	10%	12%	13%	14%	15%	16%	17%	18%	19%
20%	21%	22%	23%	24%	25%	26%	27%	28%	29%	30%
31%	32%	33%	34%	35%	36%	37%	38%	39%	40%	41%
42%	43%	44%	45%	46%	47%	48%	49%	50%	51%	52%
53%	54%	55%	56%	57%	58%	59%	60%	61%	62%	63%
64%	65%	66%	67%	68%	69%	70%	71%	72%	73%	74%
75%	76%	77%	78%	79%	80%	81%	82%	83%	84%	85%
86%	87%	88%	89%	90%	91%	92%	93%	94%	95%	96%
97%	98%	99%	100%	101%	102%	103%	104%	105%	106%	107%
108%	109%	110%	111%	112%	113%	114%	115%	116%	117%	118%
119%	120%	121%	122%	123%	124%	125%	126%	127%	128%	129%
130%	131%	132%	133%	134%	135%	136%	137%	138%	139%	140%
141%	142%	143%	144%	145%	146%	147%	148%	149%	150%	151%
152%	153%	154%	155%	156%	157%	158%	159%	160%	161%	162%
163%	164%	165%	166%	167%	168%	169%	170%	171%	172%	173%
174%	175%	176%	177%	178%	179%	180%	181%	182%	183%	184%
185%	186%	187%	188%	189%	190%	191%	192%	193%	194%	195%
196%	197%	198%	199%	200%	201%	202%	203%	204%	205%	206%
207%	208%	209%	210%	211%	212%	213%	214%	215%	216%	217%
218%	219%	220%	221%	222%	223%	224%	225%	226%	227%	228%
229%	230%	231%	232%	233%	234%	235%	236%	237%	238%	239%
240%	241%	242%	243%	244%	245%	246%	247%	248%	249%	250%

Listed on the New York, London, Paris, Frankfurt and Madrid Stock Exchanges

Expanding our activities in the international financial arena.

CONSOLIDATED FINANCIAL HIGHLIGHTS

Dollars in millions	6/30/89	6/30/88	% change
FIRST HALF RESULTS			
Income before taxes	\$ 321.6	\$ 236.6	35.9 %
Net Income	232.2	175.1	32.6
BALANCE SHEET DATA			
Equity	\$ 1,909.6	\$ 1,710.8	11.6 %
Debt	22,792.9	16,410.7	38.9
Loans and discounts	16,350.1	11,655.7	40.3
Average total assets	30,199.3	24,145.6	25.1
RATIOS			
Return on assets	1.54 %	1.45 %	
Return on equity	22.85	23.94	
Operating costs/average total assets	2.38	2.45	

465,448 Shareholders

1,586 offices in 27 countries



Banco Santander

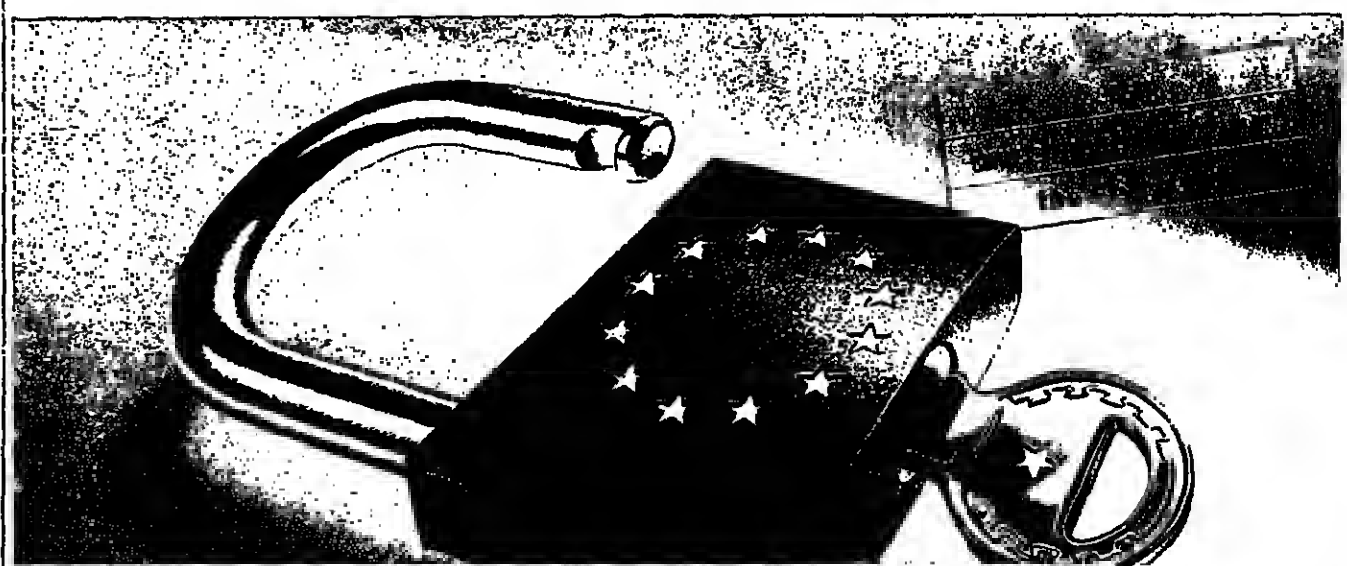
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Madrid 28046
Tel: (1) 581 30 00

Banco Santander, 375 Park Avenue
New York NY 10152
Tel: (212) 826 43 50

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London EC2R 6 LB
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CS-Investment Service plus



Unlock the door to Europe's high interest rates: CS EUROPA BOND

Investment fund under Luxembourg law

Yields on a number of traditional investment currencies are still low, despite the recent increases in interest rates. However, bond investments in many European countries now offer returns that are clearly superior to the yields obtainable in hard currencies like DM, Dutch guilders, Swiss francs and yen. Private investors are therefore increasingly looking out for instruments that give them access to these attractive capital markets and involve a limited exchange and credit risk.

The new investment fund CS EUROPA BOND offers yield-oriented investors a convenient way of gaining entry to Europe's most attractive bond markets. Its portfolio consists of high-interest European bonds. Because the main accent is on currencies that are part of the European Monetary System, the exchange risk is kept within reasonable limits.

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CREDIT SUISSE
CS

Tuesday's NASDAQ Prices

Prices as of 4 p.m. New York time.
This list, compiled by the AP, consists of the 100 most traded securities in terms of dollar volume.
It is updated twice a year.
Via The Associated Press

NYSE: 100 Most Traded Securities

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Dollar Finishes Narrowly Mixed in New York

Reuters
NEW YORK — The dollar closed mixed in quiet trading on Tuesday, as most dealers and investors kept to the sidelines in advance of a key U.S. trade report scheduled for release on Thursday.

Dealers said a modest dollar rise early in the day reflected speculation that the U.S. trade deficit narrowed slightly in June and that the decline in U.S. interest rates had come to an end. But they said with most dollar investors out of the market, the U.S. currency succumbed to a flurry of late profit taking.

The dollar closed in New York at 1.9430 Deutsche marks, down from 1.9493 DM on Monday, and at 142.20 yen, up from 141.95 yen.

The British pound weakened further despite support in European trading from the Bank of England. The British unit ended at \$1.5750, down from \$1.5770.

Class	YTD	Mo.
Deutsche mark	1.9430	1.9493
Swiss franc	1.4220	1.4175
Japanese yen	142.20	141.95
French franc	6.5545	6.5535
Italian lire	1.9360	1.9370

The dollar also closed at 6.5545 French francs, down from 6.5535 francs, and at 1.4220 Swiss francs, down from 1.4175 francs.

Most economists are forecasting that the U.S. trade deficit narrowed to about \$9 billion in June from \$10.2 billion in May.

Remarks by the U.S. Trade Representative, Carla Hills, that the U.S. current account deficit may grow a little weakened the dollar slightly Tuesday, but had no lasting effect, dealers said.

In addition to the trade numbers, dealers said the market will be closing watching the U.S. consumer

price index for July, which is due for release Friday. They said the surprise fall in July producer prices reported Friday has raised expectations that consumer prices might fall as well.

Figures for U.S. industrial production in July are scheduled to be released on Wednesday and economists said they were likely to show the American economy on a steady course.

Earlier in London, the dollar closed higher against most currencies after a very quiet session. Most European markets were closed Tuesday for religious holidays.

The dollar closed at 1.9470 DM, up from 1.9395 DM on Monday, and at 142.00 yen, up from 141.75 yen.

Dealers said speculation that investors would attempt to push the currency higher faded when no strong buying emerged. Most dealers said that the currency would probably remain near current levels until the U.S. trade and infla-

tion data are released later this week.

Dealers said if the dollar manages to stay above the 1.9480 DM resistance level it will almost certainly test the 1.95 DM barrier. But at that level central banks would intervene to drive it back, they said.

The Australian dollar attracted some interest Tuesday after the country forecast a 9.12 billion dollar (\$6.91 billion) budget surplus for fiscal 1989-90. The Australian currency weakened moderately on the news as dealers expected lower interest rates to follow.

But dealers said investors are waiting for the country's current account figures, due Wednesday. A deficit of about 1.8 billion dollars to 2 billion dollars is expected, but dealers said the Australian dollar could ease further if the figure is out of line with expectations.

The Australian dollar was trading at 75.35 U.S. cents, down from 75.95 cents on Monday.

INTERNATIONAL FUNDS

August 14, 1989

Quotations supplied by funds listed. Not all funds are listed. The information is for informational purposes only. It is not intended to be used for investment purposes.

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INTERNATIONAL FUNDS

August 14, 1989

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Be sure that your fund is listed in this space daily. Telex: Simon OSBORN at 613595F for further information.

SPORTS

Top Milers Head for Showdown

Wednesday in Zurich Promises to Make Track History

By Rob Hughes
International Herald Tribune

LONDON — There is always a certain electricity in the air when milers, the kings of track running, get together on a fast surface with something to prove. Wednesday night in Zurich promises a contest such as we haven't seen in the late 1980s. Injury, avoidance of head-to-head races or misjudging peak have deprived us of genuine performances in the mile or its 1,500-meter equivalent.

But now, with the leading Africans hot for a showdown and an old Brit conjuring a last fling before running in politics, they are ready. Zurich's atmosphere, not to mention its ability to come up with the big money that puts milers in the mood, suggest that Aug. 16 could be writ in track history.

Said Aouita the Moroccan who boasts like Muhammad Ali and performs most of what he predicts, rehearsed in the Netherlands last Sunday with a run of 3:30.63, just outside his 1,500-meter world record of 3:29.46.

He did not merely to trounce the opposition but to post a warning to Abdi Bile, world champion over the distance. Bile, coming down from Somali heights and coming back after a stress fracture that struck him from the 1988 Olympics, had clocked 3:31.20 last month.

And Sebastian Coe, who once set world records on this Zurich track that established him as arguably the greatest miler of them all, has plotted a peak for this night to reach out one last time for world supremacy.

"Old Man Coe" — he is 32 — has not snuffed a time close to 3:30 since his 1984 triumph in the Los Angeles Olympics Games. But he proved last Sunday that the searing finish is still within him.

So is the stomach for a fight on the track. Winning the British 1,500-meter title, he recovered from a near fall and a nicked hamstring to overtake seven competitors by blasting the last 200 meters in 25 seconds — something close to the pure sprint speed that Coe showed in the 800 meters at the Moscow Games of 1980.

Within him, and within men who have charted mile history in the 35 years since Roger Bannister cracked the four-minute barrier, lies the mystical pull of the four-lap race. Its challenge is as much cerebral as physical; it is dominated neither by sprint nor stamina; it cannot be formulated.

It is not likely that Coe can produce a world-record run, yet knowing his motivation — knowing how much he has saved and prepared for this peak — it would be foolhardy to put a penny against him.

Wednesday could demand a world record. The two Africans are obviously the blink of



Said Aouita, world record holder.

Within the men who have charted mile history in the 35 years since Roger Bannister cracked the four-minute barrier lies the mystical pull of the four-lap race.

an eye away from it. Alternatively, a race of guile and tactical cunning is within Coe's psyche. This trio is not the whole cast, though together they comprise an elite company denied us at the last Olympics.

Aouita was there in body, but over-raced, confused about which of three distances he wanted to win and hiding an injury that Moroccan doctors had falsely led him to believe was minor.

Bile was absent because of injury, and Coe was not even a bystander after misjudging altitude training and the unforgiving British Olympic trials.

Britain sent instead Steve Cram, who now as then is dogged by nagging pains that have an awful permanence about them, and Peter Elliott, who is still paying the price for having five pain-killing injections into a groin injury in Korea. Elliott, through excruciating hardship, captured the 1,500-meter silver medal.

Elliott said in an interview that he would race again, but even if he did not, the months of subsequent hospitalization and rehabilitation do not add up to a moment's regret at taking the injections and risking his health for silver.

He represents the obsession of medal winning. His Olympic achievement cannot be taken away, and to those who contend it was won in the absence of great milers, he knows the Olympic law: that you have to produce on a given day in a four-year cycle.

But if the silver medalist still cannot be in Zurich to defend his honor, the gold winner will be a little surprising.

Is Kenya's Peter Rono a mere pretender wearing the Olympic crown?

The fact is that his winning time in Korea — 3:35.96 — would not remotely threaten Aouita or Bile or Coe and Cram at their best. Also, he has done nothing since the Olympics to justify his rank and has indicated that his priority this year is his schooling in the United States, where he attends Mount Saint Mary's College in Maryland.

Besides, a younger Kenyan, Wilfred Onda Kiroi, 19, is the world's fastest junior 1,500-meter runner and a youth who already knows what it is to run with Aouita.

Still, Rono as Olympic champion adds lustre to the field that includes Coe, the previous Olympic winner, Bile, the world champion, and Aouita, the world record holder.

Their task is, in the words of Bannister, who became a neurologist after breaking the four-minute barrier, "to practice the art of liberating one's total energy for 3 minutes and 48 seconds — a kind of physiological trick, a balance between mental and physical control."

For 3:48? Well, Sir Roger still thinks in terms of the mile, and anyway, it is five years since he told Coe that.

Five years in track running is history. The mind game is the same, only the speed keeps quickening.

VANTAGE POINT/Ira Berkow

A Soviet Finds Baseball Baffling Drama

New York Times Service

NEW YORK — Face to face with baseball for the first time — that's how he expressed it — Boris Morozov, who had recently arrived in New York from Moscow, grew agitated while watching a game on television.

"What is going on?" he asked, through a translator. "Why is the pitcher making movements like a plastic man, arms and legs all twisted, and letting the enemy with the big stick get ready for the throw?"

Morozov got up from his chair in the room and whipped an imaginary underhand pitch. "Why doesn't he surprise him, fast? What for I'm showing him to do?"

Morozov, a stocky director from the Molly Theater in Moscow, is on these shores for the first time, and with fresh eyes is taking in the sweep of America, which unworldly includes baseball.

He observed "families," he said, playing in parks on his ride from John F. Kennedy Airport to Manhattan, and then a professional game while turning channels on the television set in the apartment in which he was a guest.

Morozov was taking part in a reciprocal agreement to direct Chekhov's "The Wood Demon" in New York.

In his youth, Morozov played basketball and football — "American

soccer," he explained — and *loyka*, a game in which, he said, "the principle is for someone to hit a thrown ball with a piece of timber, and then you run somewhere like a madman, like baseball."

He said he was deeply impressed by the "full stadium" and the "revelation of the audience" to a baseball game in America.

"It is so enormous. Oh, what passion! I'm first seeing a very long preparation for the set. I'm — why don't they just go ahead with it? There's walking around, there's looking here and there. And then suddenly it happens in an instant. A big explosion! And thousands and thousands of people jump up and shout, 'Bravo!'"

"You can't compare *loyka* to baseball," he said. "It means too much to Americans. In Russia, it is a children's game, and nobody goes to see children play it."

Once upon a time, he was told, it was a children's game in America, too, called "one o'rat," and had been brought over from England with the earliest settlers. Then the game grew and grew.

Morozov was impressed, too, with the democratic aspect of the spectators. "All circles of society attend," he said, "all ages, all colors."

"So everybody is enjoying it, but not me. Why not me?"

He had questions.

To the one about tricky deliveries by pitchers, it was explained that the rules say a batter must be ready for the throw. And often the pitcher winds up to make his throw more powerful.

He wondered about the "zones" to which runners ran. He asked about "the flying time," when everybody seemed to be chasing the baseball in the field. And he was intrigued by the camera close-ups of the players.

"I'm seeing in their faces very hard inside conflict, the readiness to fight, the emotion is true," he said.

"It is obviously a strong and tough game. The players find it not necessary to use many words. Dialogue is interior. It's like the character in Chekhov who says to another only, 'You will remember me,' and then later kills himself. What power, what stress is inside, and the language is so simple."

Morozov asked how long a game must go on. "Nine innings," he was told, "but if the score is tied, it can go into extra innings. In concept, one game can last forever."

"So," he said, "the limitation is not in time but in scale."

He spoke of the drama in baseball, and sports, and related it to theater. "In Russia, we had a great film director named Dovzhenko.

He once said that he's wishing, hoping that theater will be like a football game, that you never know to what side the ball will fly to the next moment, and how the situation will change."

He also mentioned how there can be drama in stillness, and that even when an actor, or a ball player, is standing and seemingly doing nothing, he must still be totally alive.

"That's the sign of the best actor," he said. "I see that it is the same in baseball. They stand, they stand, they stand, and then — boom! — they are in action!"

"The main thing," he added, "is the contact between the audience and the players. The audience must be involved in the proceedings. There must be opposing sides, agreeing and disagreeing, conflict and love. This is the whole complex of human feelings. This is what allows the audience to leave their chair and draw closer to the action."

Still, Morozov said, he did not comprehend the analytical aspects of baseball, though he understood that the game has a powerful emotional hold on Americans.

"There is some secret about it, some mystery," he said. "I would like to discover it. But I do understand one thing: Something is not simple about baseball. Or America."

For Blue Jays, Fenway Park Has a Homey Feel

The Associated Press

Winning in Boston's Fenway Park has become an old habit for the Toronto Blue Jays, and perhaps a new one for rookie Mauro "Goose" Gozzo.

Toronto won its 13th straight

game. "He throws strikes and goes into the hit area."

Gozzo said, "I was excited pitching here. I had 40 passes for family members and friends. Now we can get together and celebrate tonight."

The Blue Jays remained tied with the Milwaukee Brewers for second in the American League East, 2½ games behind the Baltimore Orioles. The Red Sox dropped 3½ out.

The New York Mets drafted Gozzo but traded him to the Kansas City Royals in 1987.

Gozzo never got a shot with the Royals, but the Blue Jays have found him a winning replacement for Jimmy Key, who is on the disabled list.

Rance Mulliniks hit a two-run home run, Tony Fernandez had three hits and George Bell and

Mookie Wilson had two hits each as all but one Toronto batter had at least a single.

Mike Boddicker, who had won seven of nine previous decisions, allowed 11 hits in 6½ innings for the Red Sox.

Orlans 4, Tigers 1: In Detroit, Craig Worthington hit a three-run home run in the 10th, and Dave Schmidt won his first decision since moving from the starting rotation to the bullpen on Aug. 7.

Brewers 5, Yankees 4: In Milwaukee, Gus Polidor, batting 194, singled in B.J. Surhoff with the winning run as the Brewers rallied for three runs in the ninth.

White Sox 4, Royals 3: In Chicago, Den Pasqua hit a home run to tie the score in the sixth, and then

Lance Johnson singled in the winning run.

Twins 6, Angels 3: In Anaheim, Allan Anderson won his 14th game and fifth straight start, and California lost the fourth of its last five games.

Pirates 6, Expos 1: In a National League game in Montreal, Doug Drabek pitched a six-hitter and drove in two runs with a single as Pittsburgh sent the Expos to their ninth loss in 11 games.

Cardinals 7, Braves 4: Cardinals 5, Braves 2: In the first game of a doubleheader in St. Louis, Mike Thompson had three hits and three RBIs, and Joe Magrane added a run-scoring single while winning for the 10th time in 11 starts.

In the second game, Vince Coleman and Jose Oquendo each singled twice, walked, stole a base and scored twice.

BASEBALL ROUNDUP

game in Boston, and Gozzo won his second consecutive major-league start as the Blue Jays beat the Red Sox, 4-2, Monday night.

Gozzo, who had shut out the Texas Rangers for eight innings in his major-league debut last Wednesday, allowed seven hits and two runs, one unearned, in five innings.

"The kid pitched well again," Toronto's manager, Cito Gaston,

BOOKS

LOVE'S EXECUTIONER: And Other Tales of Psychotherapy

By Irvin D. Yalom. 270 pages. \$19.95. Basic Books, 10 East 53d Street, New York, N.Y. 10022.

Reviewed by James S. Gordon

SINCE the 1890s, when Freud's great works began to appear, the case history has been one of psychiatry's most powerful teaching tools. Reading the best of them, we are moved by the humanity we share with the people portrayed, awed by the ways their unique histories have shaped and deformed their

lives, instructed by the treatment the writers have devised for their disorders.

In some instances, whole schools of psychiatry seem to grow from the stories of a few patients and their therapy. The accounts in Freud and Josef Breuer's "Studies on Hysteria" contain seeds of the psychoanalytic movement. To a greater or lesser degree, other, later schools, such as existential psychiatry, a European hybrid of psychiatry and philosophy, have also defined themselves by the paradigmatic case or cases.

Irvin Yalom, a professor of psychiatry at Stanford University, is very much in the existential tradition. He was analyzed by the psychologist Rollo May, who, in "Existence," first brought the European existentialists to a wide English-speaking audience. He has written a comprehensive text on existential psychotherapy, as well as a standard work on group psychotherapy. Now, in "Love's Executioner," with 10 well-told case histories, he bids fair to renew existential psychiatry and make it relevant to a contemporary American audience.

Like Freud, and unlike some of his own existential forebears, Yalom is a graceful and canny writer. His chapters open suddenly. Sometimes we find ourselves in the middle of a patient's lament: "I'm nothing. Garbage. A creep." We hear Marge insist in the chapter called

"Therapeutic Monogamy." Sometimes Yalom is sharing his reflections: "I do not like to work with patients who are in love," he tells us in the case history that gives the book its name. Each chapter then moves swiftly forward.

Yalom acknowledges the utility of psychiatric theory and of diagnosis, but, as an existentialist, he is deeply suspicious of both. "Ideological schools, with their complex metaphysical edifices, succeed," he wryly notes, "because they assuage the therapist's, not the patient's anxiety," because they provide the therapist with the security to deal with the patient's insecurity.

Yalom is trying to help his patients explore lifelong patterns of denial and evasion. Some patterns dissolve slowly, painfully in the cauldron of the therapeutic relationship, and the former suffers become free to choose their future. Other patterns remain, proof against Yalom's skill, but yield to ordinary events neither he nor his patients could have foretold.

As Yalom moves closer to them, he experiences warmth and admiration for patients who at times seem healthier and braver than he. And he feels impatience and disgust with others. Often he steps back to explore his reactions, and turns, chastened, to the relationship. He grows to love a crude man who in facing

the cancer that is killing him becomes noble; he finds himself embracing a fat woman who repelled him. And, often enough, he watches with dismay as his carefully conceived therapeutic strategies fail, and with wonder as awkward moments yield insight and intimacy.

On occasion I found myself impatient with Yalom, as therapists inevitably are with one another. I wish he had called in the members of some of his patients' families sooner, rather than struggling with their resistance and working so exclusively with their words and dreams. And sometimes too I became impatient with his stoicism, hoping that he would not just explore and accept the mysteries of psychotherapy, and life, but celebrate them as well.

These are not, however, major quarrels. "Love's Executioner," with its detailed discussions of the process of therapy and its dozens of valuable asides on clinical practice, is enormously valuable for any psychotherapist. For the general reader, it is a lovely introduction to the riches of the existential approach and a fine and absorbing collection of stories.

James S. Gordon, author of "The Golden Curve," practices psychiatry in Washington and teaches at Georgetown University School of Medicine. He wrote this for The Washington Post.

BEST SELLERS

The New York Times
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

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NOTIFICATION

ALL I REALLY NEED TO KNOW I LEARNED IN KINDERGARTEN, by Robert Fulghum

IT'S ALWAYS SOMETHING, by Gilda Radner

A WOMAN NAMED JACK, by C. David

A BRIEF HISTORY OF TIME, by Stephen W. Hawking

SUMMER OF '49, by David Halberstam

FROM BERUT TO BEAULIEUX, by Thomas L. Friedman

KING OF THE NIGHT, by Russell Baker

THE GOOD TIMES, by Russell Baker

DAVE & BARRY SLEPT HERE, by Dave Barry

LOVE AND MARRIAGE, by Neil Gaiman

GREAT PLAINS, by Ian Frazier

CITIZENS by Steven Schatz

THE BRIDGEMANS, by Judith Balaban

THE ANDY WARHOL DIARIES, edited by Thomas L. Friedman

THE MOST BEAUTIFUL HOUSE IN THE WORLD, by Harold R. Rosenberg

ADVICE TO THE YOUNG, by Thomas L. Friedman

WISCONSIN, by Thomas L. Friedman

WEALTH WITHOUT RISK, by Charles J. Givens

PEACE, LOVE & HEALING, by Charles J. Givens

THE THREE CHOLERS, by Robert E. Howard

TEROL CURE, by Robert E. Howard

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SYMPTOMS,

SPORTS

A Violent, Chilling Weekend

International Herald Tribune

LONDON — Soccer, the world's most popular sport, at times seems well placed to win mankind's race towards catastrophe. Once again, the "game" was stained in death last weekend: the death of seven spectators and a player in Nigeria's National Stadium, and the death of fair play in Chile.

In each case the catalyst was a World Cup qualifying match. No half-decent social pastime can accept the consequences without inspection. Lagos on Saturday was spine-chilling, but not the result of malice. No one died the following day.

ROB HUGHES

In Santiago, but millions of television viewers worldwide saw Chilean and Brazilian tackles that could mean a referee abandon his playing field to armed troops.

What occurred in Lagos and Santiago was preventable.

How, days after an English government inquiry blamed poor police control for 95 spectators' deaths last April in Sheffield, could Nigerian authorities allow 20,000 more fans into the Lagos stadium than its capacity allowed?

Was there corruption? Was there profiteering that disregarded human safety? Was there police and administrative incompetence?

FIFA, the international soccer federation, has made sweeping statements about all-seater, all-numbered stadiums for future World Cups, but it has to enforce safety immediately and universally. Otherwise it is not in control, and soccer on a world scale is unmanageable.

We cannot stop counting the dead until the experiment of all-seater stadiums begins. It merely compounds the tragedy that Sam Okwaraji, Nigeria's 24-year-old winger, ran himself to death in the same stadium on the same afternoon.

There was excessive heat and humidity, but on past experience we can expect post-mortem findings to indicate some heart, lung or brain abnormality (and, I hope, no drug interference).

Whether we are willing to pay for tests to detect defects before tragedy is debatable.

The corpse of this young professional winger, and those of the dying among his audience, were removed, and the match ran its course to give Nigeria a 1-0 victory against Angola.

There was no reported physical contact, no bad blood in Lagos. But there was plenty in Santiago, where Chile and Brazil turned soccer into a war.

That is the description of Brazil's team manager, Sebastiao Lazaroni. He did not say whether he, or officials on either side, did anything to dampen the players' frenzy.

Given that the president of FIFA is Brazilian, wasn't it reasonable to expect that the fresh horror of Lagos would have led to a display of wholesome sport in Santiago?

Alas, Chile was desperate to become the first team ever to kick Brazil out of World Cup qualifying — "kick" being the key word. These new Brazilians, touted by me as refreshingly close to the beautiful game, retaliated.

The Colombian referee, José Díaz, lost control before the game began.

Already reviled in Chile as the referee who cost the home team a previous World Cup victory against Uruguay, Díaz delayed the kickoff for eight minutes while he, and Chilean militia, gestulated uncommunicatively and raised to the boiling point a volatile situation.

Díaz apparently was responding to a FIFA dictate to clear photographers from advertising billboards. From his manacled arm-waving, we couldn't tell if it was that or fear of crowd trouble.

While he strutted around the advertisements, disorder broke out among the players as three Chileans — Hissis, Ornelo and Yañez — goaded Brazil's recently golden goal scorer, Romario.

Acrobatic and opportunistic, Romario displayed the self-control of a five-year-old and was hauled out of the fight by teammates.

Thirty seconds into the match, Dunga, Brazil's normally creative midfielder, crashed into Chilean



Chile's Ornelo outstays Valdo of Brazil.

hills. A minute later, Chile's Raul Ornelo demonstrated a more practiced thuggery and hacked the trailing leg of Romario.

It was a regretful foul, too late for anyone to claim it was accidental, and it ended the game for Brazil.

Referee Díaz, surrounded by incensed Brazilians, waived the yellow card. Behind him, scuffles abounded. A linesman and a posse of Chilean players directed Díaz to the fallen Hissis and, without more ado, the protesting Romario was sent off.

Whether or not Romario was guilty, Hissis lay prostrate only until satisfied that Brazil's main striker had been removed, and then leaped off the stretcher.

Having contributed to the ouster of Romario, Ornelo was, in soccer parlance, doing a job. He tried to complete it seven minutes later when he crossed the field to hack at the shins of Brazil's other fullback, Marzino.

Again, it was so late and so crude that not even the swarms of protesting Chilean dissidents, who, with protective military assistance, sent Ornelo off.

All art was abandoned. I counted five Chilean yellow cards and three Brazilian ones amid violence that included Brazil's Silas stamping on a fallen opponent and a cynical foul by Astengo to stop Silas from scoring.

Taffarel, the Brazilian goalie, having previously received no warning for time-wasting, made an agile catch seven minutes from the end. He bounced the ball once, caught it and stood perplexed as Díaz awarded a free kick, eight yards from the goal, for time wasting.

As Brazilians argued, a Chilean took the ball from Taffarel, rolled it with his hand to a more advantageous angle and stood back while Ivo Basey shot into the unguarded net. Díaz allowed the goal.

So the match ended as chaotically as it began, with a riot squad shielding Díaz from the wrath of the Brazilian team.

But the profit was no doubt good, and a full house with beautiful advertising revenue is assured for Sept. 3 when Brazil and Chile play a vital elimination game that would have been a dead rubber had Brazil won.

Unlike Lagos, no life was lost. But the game in Santiago, by intent rather than by accident, was a betrayal of sporting values that the two teams should not be allowed to shrug off.

Rob Hughes is on the staff of the Sunday Times

Europeans Set 2 World Swimming Marks

Compiled by Our Staff From Dispatches

BONN — Two world records fell at the European Swimming Championships on Tuesday as Adrian Moorhouse of Britain, the 1988 Olympic gold medalist, lowered the 100-meter breaststroke standard, and Giorgio Lamberti of Italy set a surprisingly strong record in the 200-meter freestyle.

Lamberti's 1:46.69 shattered the mark of 1:47.25 set by Duncan Armstrong of Australia at the 1988 Olympic Games in Seoul.

Armstrong was the surprise winner at Seoul, finishing ahead of Matt Biondi of the United States.

Artur Wojdat of Poland finished second to Lamberti in 1:47.93 and Anders Holmertz of Sweden was third in 1:48.06.

The 20-year-old Lamberti was ecstatic about his performance.

"I could not believe it when I saw it on the scoreboard," he said after the race. "I am so happy. I never thought I could do something like that."

Lamberti's previous best time was 1:47.90 in 1988, before the Olympics. He was eliminated during heats at Seoul.

Despite his own surprise, Lamberti said he felt he was well prepared for Tuesday's race.

"I have been training very hard, especially in the mountains. But I had to wait until tonight to know what was going to happen," he said.

Moorhouse's record was set during preliminary heats. He won his heat in a record time of 1:01.49. The old mark, 1:01.65, was set by Steve Lundquist of the United States in winning a gold medal at the 1984 Olympics in Los Angeles.

Dmitri Volkov of the Soviet Union, the 1988 bronze medalist in the event, was leading at the 50-meter mark, but Moorhouse powered through the last half of the race to finish 37 ahead of Volkov. The Russian was timed in 1:01.86.

After his performance, Moorhouse said he went into the heat aiming to break the record.

"My time was not a surprise," Moorhouse said. "I wanted to swim a new world record in the prelims. I did. Tonight in the finals I will swim even faster."

He did not. Moorhouse won the final in 1:01.71, and Volkov was second in 1:01.94. (See Scoreboard)

Moorhouse's time in the preliminaries surpassed his own European mark of 1:01.78 set in Orlando, Florida, in March 1988.

The only current men's world record set before Lundquist's 1984 time is the 1,500-meter freestyle mark of Vladimir Salnikov of the Soviet Union, dating back to 1983. Moorhouse, 25, was sidelined for several months when he broke a bone in his left hand in a car crash last October.

His achievement represented the first time a British citizen had set a world swimming record since David Wilkie did it in the 200-meter breaststroke in 1976.

Moorhouse had been creeping up on Lundquist's record time for the past year.

He won the 200-meter breaststroke at the 1983 European Championships, placed fourth at the 1982 World Championships in the 100-meter breaststroke and took first place in the same event in the 1985 and 1987 European Championships. (AP, Reuters)



Record-setters: above, Adrian Moorhouse; left, Giorgio Lamberti.

SIDELINES

Watson, Wadkins Make Ryder Team

CASTLE PINES, Colorado (UPI) — Raymond Floyd, the American Ryder Cup captain, chose Tom Watson and Lanny Wadkins on Tuesday to fill out the 12-man team that will compete against European golfers in England on Sept. 22-24.

Watson and Wadkins, who have combined to play on eight Ryder Cup teams and in 33 matches, bring experience to a team that will have five first-time participants. The rest of the American team includes Mark Calcavecchia, Paul Azinger, Tom Kite, Paine Stewart, Curtis Strange, Chip Beck, Fred Couples, Mark O'Meara, Mark McCumber and Ken Green.

High Schooler Describes Steroid Use

TORONTO (AP) — A recent high school graduate told the Canadian national inquiry into drugs and amateur sports that steroids gave him strength, athletic prowess and a criminal record.

David Bain, 18, of Guelph, Ontario, said Monday that he first had taken the drugs when he was 18 "to give me some size, some strength" for the school football team. He said that he easily had obtained Dianabol, one of the steroids used by sprinter Ben Johnson, from a friend at a weight-training gym in Guelph, and that the cost had been as much as \$140 per injection.

He said that at the time he had not cared about the harmful side effects such as aggressive behavior, liver damage and skin disorders. "I knew them all," he said. "It didn't really bother me." But he said he had been plagued constantly by mental depression, paranoia and anger, which led to an incident for which Bain was convicted of assault and mischief.

Apparent Suicide Stuns NBA's Kings

SACRAMENTO, California (AP) — The apparent suicide of Ricky Berry, a forward on the Sacramento Kings basketball team, left his stunned teammates and friends wondering why.

Greg Van Dusen, vice president of the Kings' sports arena, said Tuesday, "We had no indication that he had any form of depression or anything like that. He had excellent relations with the coaching staff, his teammates and the entire organization."

Investigators said Monday that the 24-year-old, the Kings' top draft pick last year, shot himself in the head and died at his suburban home following an argument with his wife. Berry, the career scoring leader at San Jose State University, averaged 11 points last season in 64 games for the Kings, including 21 starts.

For the Record

American Randy Barnes, who already had this year's best indoor shot put distance, threw the longest distance of the outdoor season, 72 feet, 9 1/4 inches (22.3 meters), Monday at the Gugi International in Linz, Austria. (AP)

The Nigerian government has appointed a panel to investigate why a popular professional soccer player, Sam Okwaraji, and seven fans died in extreme heat at a World Cup qualifying match between Nigeria and Angola on Saturday in Lagos. (Reuters)

Freshman Chris Brooks officially became the biggest football player in Georgia Tech history when the 6-foot, 8-inch (2.05-meter) offensive lineman from Baltimore weighed in at 378 pounds (171 kilograms) Monday in Atlanta. (AP)

Dutch authorities ordered a soccer team in Sittard to postpone a first-division game Tuesday because they feared protests against a new identity-card system might provoke violence. (Reuters)

Teng Yi, the Chinese table tennis star, arrived in Taipei on Tuesday for the first visit ever to Taiwan by a mainland Chinese athlete. (AP)

The New Hampshire Sweepstakes Commission, the board that governs the oldest state lottery in the nation, voted Monday to seek legislative approval for betting on professional sports. (UPI)

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE			
Team	W	L	Pct.
Baltimore	61	54	.528
Minnesota	59	56	.511
Toronto	57	58	.495
Cleveland	57	61	.483
Chicago	55	63	.467
New York	55	63	.467
Pittsburgh	47	72	.395
West Division			
Oakland	71	47	.600
California	69	50	.580
Kansas City	64	55	.537
Texas	61	58	.511
Minnesota	59	60	.492
Seattle	56	61	.479
Chicago	51	67	.432
NATIONAL LEAGUE			
Team	W	L	Pct.
Chicago	66	50	.569
Montreal	64	52	.554
New York	62	54	.535
St. Louis	62	55	.528
Pittsburgh	59	57	.509
Philadelphia	57	57	.500
West Division			
San Francisco	67	51	.568
Houston	64	54	.542
San Diego	59	59	.500
Cincinnati	56	61	.479
Los Angeles	54	63	.463
Atlanta	51	71	.419

Monday's Line Scores

AMERICAN LEAGUE			
Team	W	L	Pct.
Minnesota	300	100	1.50
California	100	100	1.00
Los Angeles	100	100	1.00
San Diego	100	100	1.00
San Francisco	100	100	1.00
Seattle	100	100	1.00
Chicago	100	100	1.00
Philadelphia	100	100	1.00
Pittsburgh	100	100	1.00
Cleveland	100	100	1.00
Toronto	100	100	1.00
Baltimore	100	100	1.00
West Division			
Oakland	100	100	1.00
California	100	100	1.00
Kansas City	100	100	1.00
Texas	100	100	1.00
Minnesota	100	100	1.00
Seattle	100	100	1.00
Chicago	100	100	1.00
Philadelphia	100	100	1.00
Pittsburgh	100	100	1.00
Cleveland	100	100	1.00
Toronto	100	100	1.00
Baltimore	100	100	1.00

GOLF

PGA TOUR

Major winners on the PGA Tour			
Player	Score	Par	Money
Tom Kite	64	-10	\$1,000,000
Corey Pinner	65	-9	\$500,000
Steve Jones	66	-8	\$250,000
Paul Azinger	67	-7	\$125,000
Scott Hoch	68	-6	\$62,500
Chris Beck	69	-5	\$31,250
Mark O'Meara	70	-4	\$15,625

SWIMMING

European Finals

Tuesday's results of finals of the European Swimming Championships in Bonn			
Event	Winner	Time	Par
100-meter breaststroke	Adrian Moorhouse (GB)	1:01.71	-0.14
200-meter freestyle	Giorgio Lamberti (IT)	1:46.69	-0.56

Wednesday's results of finals of the European Swimming Championships in Bonn			
Event	Winner	Time	Par
100-meter breaststroke	Adrian Moorhouse (GB)	1:01.71	-0.14
200-meter freestyle	Giorgio Lamberti (IT)	1:46.69	-0.56

Thursday's results of finals of the European Swimming Championships in Bonn			
Event	Winner	Time	Par
100-meter breaststroke	Adrian Moorhouse (GB)	1:01.71	-0.14
200-meter freestyle	Giorgio Lamberti (IT)	1:46.69	-0.56

TRANSITION

Baseball

BOSTON — Activated Alvin Greenwell, outfielder, from 15-day disabled list retroactive to Aug. 12. Activated Willie McGee, outfielder, from 15-day disabled list.

Baseball

ST. LOUIS — Put Scott Terry, pitcher, on 15-day disabled list retroactive to Aug. 12. Activated Willie McGee, outfielder, from 15-day disabled list.

Baseball

ATLANTA — Signed Jerry Williams, right hand, to minor league deal.

Baseball

DENVER — Signed Dennis Woodberry, catcher, to minor league deal.

Baseball

GREENBAY — Traded Darryl Hatcher, left hand, to Cleveland for undisclosed conditional draft choice.

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NFL Player's Book Describes Racism in Dallas

United Press International

RADNOR, Pennsylvania — Tony Dorsett, the No. 2 rusher in National Football League history, says he faced racism every day when he played for the Dallas Cowboys and that the Cowboys, known as "America's Team," was cliquish and racially polarized.

In excerpts from his book "Running Tough," which appears in the Aug. 19 issue of TV Guide magazine, Dorsett said Dallas fans in 1977 wanted to see black football players kept in "their place."

"It was the first time in my life that I was exposed, on a daily basis, to the Southern drawl, the slow pace of life, the conservatism and the overt racism," the running back said in the book he wrote with Harvey Frommer.

Dorsett, now a running back for the Denver Broncos, suffered a career-threatening knee injury Aug. 3.

"In Dallas, in the late 1970s, white people didn't seem to have a problem calling you a nigger to your face," he said. "It wasn't that I hadn't been exposed to racial prejudice before, but where I came from (Pennsylvania), if they

took a chance and called you nigger, they'd be 50 yards away and running."

Dorsett got into some celebrated scraps in Dallas. During his first week with the team in 1977 he was charged with two counts of simple assault after what he said was a racially charged fracas at a disco.

The charges were later dropped but Dorsett said memories linger of that incident and others.

"As a young black guy in a fancy car around Dallas, I was stopped by the police more times than I care to remember."

Running back Tony Dorsett.

assault after what he said was a racially charged fracas at a disco.

The charges were later dropped but Dorsett said memories linger of that incident and others.

"As a young black guy in a fancy car around Dallas, I was stopped by the police more times

than I care to remember," said the former Heisman Trophy winner from the University of Pittsburgh. "I'd be in an elevator with a bunch of white people, and they'd move away from me and give me hostile looks."

Dorsett said the team's medical staff was not always honest with him. He said the trainers once told him his ribs were bruised when he later found they were broken.

Dorsett said he held out for 21 days before signing for the 1985 season after learning that teammate Randy White and "a bunch of other white guys were being set up for many years to come by the Cowboys."

"They were getting their after-football lives taken care of by new contracts with package deals that contained annuities. I felt that was treatment I was also entitled to, and I was determined to get it."

He eventually settled on a "20-year annuity worth \$6 million and some other good things."

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